

Congressional Record.

PROCEEDINGS AND DEBATES OF THE SIXTY-SEVENTH CONGRESS FOURTH SESSION.

SENATE.

THURSDAY, February 8, 1923.

(Legislative day of Monday, February 5, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT resumed the chair.

SOUTHERN PINE LUMBER INDUSTRY.

The VICE PRESIDENT laid before the Senate a communication from the acting chairman of the Federal Trade Commission, transmitting, pursuant to law, the report of the commission on the costs, prices, and profits of the southern pine lumber industry for the years 1917 and 1918, which was referred to the Committee on Interstate Commerce.

CLAIMS OF CONTRACTORS UNDER TREASURY DEPARTMENT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a report showing the number of claims filed under the act for the relief of contractors and subcontractors for post offices and other buildings and work under the supervision of the Treasury Department and the present status of the work involved in connection with their adjudication, which was referred to the Committee on Public Buildings and Grounds.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a communication from the town clerk of Hancock, Mass., which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

HANCOCK, MASS., February 6, 1923.

CLERK OF THE SENATE,
Washington, D. C.

DEAR SIR: At the annual town meeting of the voters of the town of Hancock, Mass., held February 5, 1923, the following resolution was adopted:

"Resolved, That we, the citizens of Hancock, in town meeting assembled, request the Senate and House of Representatives of the United States to designate or to create some agency of the Federal Government which shall have all the powers essential to fix, and power to fix a maximum price on coal whenever and wherever sold, either by producer or dealer, any or all such powers to be exercised, the need being shown therefor, for the benefit of any congressional district or part thereof whenever said agency is so requested in writing by the Members of Congress representing said district; any or all such powers to continue in force so long as, in the opinion of the Congressman making request, the need of such Federal control exists.

"Resolved, That we further request legislation which shall provide that, in the sale and shipment of coal at the mines or elsewhere, orders for coal from consumers and dealers selling directly to consumers shall take precedence over all other orders, said legislation to provide also for prompt transportation of such shipments.

"Resolved, That a copy of these resolutions be sent by the town clerk to the clerk of each branch of Congress, together with the vote thereon."

Respectfully,

A. D. MCSORLEY, Town Clerk.

Mr. LODGE presented resolutions of the House of Representatives of the General Court of Massachusetts relative to the coal situation in New England, which were referred to the Committee on Interstate Commerce, as follows:

THE COMMONWEALTH OF MASSACHUSETTS, 1923.

In the year one thousand nine hundred and twenty-three.

Resolutions favoring the passage by Congress of legislation placing an embargo upon coal.

Whereas there are now pending before the Congress of the United States various bills and resolutions providing for and favoring the passage of legislation placing an embargo upon the export of coal from the United States during the present period of coal shortage; and

Whereas the Hon. JOHN J. ROGERS, Congressman from Massachusetts, has introduced a bill in Congress entitled "A bill declaring an embargo on anthracite coal," being H. R. No. 12827, which declares that the conditions at present prevailing in the production and distribution of anthracite coal constitute a national emergency; and

Whereas great distress and hardship exist in New England on account of such coal shortage: Therefore be it

Resolved, That the House of Representatives of the General Court of Massachusetts urgently requests that Congress take immediate steps

for the passage of appropriate legislation to relieve the great distress existing in New England, and hereby records itself in favor of immediate passage of H. R. No. 12827; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the President of the United States, to the Presiding Officers of both branches of Congress, and to the Senators and Representatives in Congress from this Commonwealth.

In the house of representatives, adopted January 29, 1923.

A true copy.

Attest:

F. W. COOK,

Secretary of the Commonwealth.

Mr. McNARY presented the following joint memorial of the Legislature of Oregon, which was ordered to lie on the table:

Senate Joint Memorial 2.

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Senate and House of Representatives of the State of Oregon, in regular session assembled, respectfully represent that—

Whereas your honorable body has under consideration a bill compelling every manufacturer or handler or seller of woolen fabrics and woolen garments to place thereon a tag plainly stating the exact percentage of virgin wool and also how much and what other materials enter into such cloth; and

Whereas such a law will be of inestimable value to both those who wear clothing and also to producers of wool and mohair; and

Whereas Oregon is interested both as a producer and as a user of woolen goods: Therefore be it

Resolved by the senate (the house of representatives concurring), That the Congress of the United States be, and it is hereby, memorialized to enact such legislation; and be it further

Resolved, That the secretary of state be directed to transmit by mail a copy of this memorial to the President of the United States Senate and to the Speaker of the House of Representatives and to each of the Senators and Representatives from the State of Oregon.

Adopted by the house January 29, 1923.

CYRIL G. BROWNELL,
Speaker of the House.

Adopted by the senate January 23, 1923.

JAY UPTON,
President of the Senate.

(Indorsed: "Senate Joint Memorial No. 2. Introduced by Senator Zimmerman. John P. Hunt, chief clerk. Filed February 1, 1923. Sam A. Kozer, secretary of state.")

UNITED STATES OF AMERICA,
STATE OF OREGON,
Office of the Secretary of State.

I, Sam A. Kozer, secretary of state of the State of Oregon and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of Senate Joint Memorial No. 2 with the original thereof adopted by the Senate and House of Representatives of the Thirty-second Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon February 1, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon. In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon.

Done at the capitol at Salem, Oreg., this 2d day of February, A. D. 1923.

[SEAL.]

SAM A. KOZER, Secretary of State.

Mr. KEYES presented a resolution adopted by the Episcopalian Club of St. Thomas Church, of Dover, N. H., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. JONES of Washington presented a petition of sundry citizens of Seattle, Wash., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Appropriations.

AMENDMENT OF FARM LOAN ACT.

Mr. FLETCHER. I ask unanimous consent to have printed in the RECORD a letter from L. C. Manson, attorney for the Federation of National Farm Loan Associations, a part of which bears on Senate bill 4130 and Senate bill 4453, which were referred to the Committee on Banking and Currency, and it also relates to House bill 14041, which is pending in the House. Mr. Manson gives certain reasons why these bills ought not to be passed, and those reasons I think are sufficiently sound and substantial to be laid before all interested in the measures. I therefore ask that the letter be referred to the Committee on Banking and Currency and printed in the RECORD.

There being no objection, the letter was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., January 30, 1923.

DEAR SIR: The Strong bill (H. R. 13125) has been rewritten by the committee and reintroduced as H. R. 14041.

The new bill (H. R. 14041) is a more vicious measure than H. R. 13125.

H. R. 14041 was reported for passage January 27 and is now before the House for action.

Whatever is to be done to defeat this measure must be done at once.

H. R. 14041, like H. R. 13125, authorizes direct unindorsed loans, the direct borrower to become a direct stockholder in the Federal land bank.

H. R. 14041, however, eliminates the provisions of H. R. 13125, attaching a double liability to stock to be held by direct borrowers.

This new bill not only strikes at the foundation of the cooperative system but discriminates against the association borrowers by requiring them to assume twice the risk of loss assumed by direct borrowers. It reduces by one-half the margin of capital security behind the bonds.

I appeal to you for your prompt assistance in preventing the passage of this bill. If you have written your Congressmen and Senators relative to H. R. 13125, please write them again at once, or preferably wire them, to oppose H. R. 14041. If you have not written, please do not fail to do so at once. Also get your officers and directors and as many of your members as possible to do the same.

ASSOCIATIONS MISREPRESENTED TO CONGRESS.

The committee has been misled, and Congress is being misled by misrepresentations as to the situation. The associations are being blamed for the failure of the system to properly function at a time when shortage of money and delay was entirely due to the policy of the Farm Loan Board and its appointees in charge of the bank.

During the time the system was tied up by litigation, during the whole of 1921, and during the first few months of 1922 the Federal land bank system did not meet the demand for money. After the litigation was over the demand was overwhelming and but few bonds were placed on the market for sale. The result was that many farmers desiring loans could not get them.

So few appraisers were employed by the banks that applicants were required in many cases to wait for months before their farms were appraised. The internal organization of the banks was such that interminable delays occurred before many of the applications were passed upon.

This shortage of funds and delay in the banks led to great dissatisfaction among the farmers, many of whom blamed the associations and complained to their Members of Congress and Senators. They did not know where the trouble lay, but did know there was something wrong. Complaints also came from farmers whose applications were rejected because the associations did not consider the risk good. These farmers claimed that the associations, having secured their loans, would not let others in.

This general dissatisfaction has been capitalized by those seeking to destroy the associations. Although the trouble was entirely due to the Farm Loan Board and the banks, and the associations were loud and vigorous in their protests, they are now being blamed because they did not function when they had nothing to function with.

H. R. 14041 AUTHORIZES DIRECT UNINDORSED LOANS.

The new bill (H. R. 14041) wipes out the provisions of section 15 of the original act requiring agents to indorse loans and provides "that whenever it shall appear to the Federal Farm Loan Board that national farm-loan associations have not been formed, or the local national farm-loan association is not in the opinion of the Federal Farm Loan Board properly serving the needs of its territory in any locality, said board may, in its discretion, authorize Federal land banks to make loans on farm lands through agents approved by said board."

This provision looks innocent. It would appear to be meant to cover a situation where farmers can not do business through an association. Let us consider its origin.

This provision was recommended to Congress in the fifth annual report of the Farm Loan Board, dated December 15, 1921. At that time and for months after the banks were so far behind in filling applications forwarded by associations that the right to apply for loans had been shut off by most of the banks. At the time this recommendation was made there could have been no demand for new agencies to procure business, because the banks could not take care of the business forwarded through the associations. We are forced to the conclusion that the real purpose of those who are behind this provision is to substitute subservient agents for independent associations, instead of to merely use them where associations do not cover the field.

A committee of the American Bankers' Association came to Washington last winter for the purpose of pushing the same plan, but deemed the time for doing so inopportune. These bankers wanted to get the commission, but did not want to indorse the loans.

Under this bill it is to be left to the opinion of the board whether an association is serving the needs of its territory. Thus, if an association which is required to indorse the loan rejects an application because, in the opinion of its directors, the risk is bad, if a secretary-treasurer does not happen to be in his office when a farmer calls, or if he can not get his directors to meet as soon as an applicant desires, any of these facts may, in the opinion of the board, justify the conclusion that the association is not satisfactorily serving its territory. It can then set up an agency across the corner which can make loans without indorsement.

Section 5 of this bill provides that the direct borrower "shall contribute 5 per cent of the amount of his loan to the capital of the Federal land bank and shall become the owner of as much capital stock of the land bank as such contribution shall warrant."

This bill (H. R. 14041) eliminates the provision of H. R. 13125 and S. 4130, making such direct stock subject to a double liability. In my memorandum published in Rural Credits and in my previous communications discussing H. R. 13125 and S. 4130 I pointed out that the double liability attached to the stock held by direct borrower does not mean the same thing, either as an obligation of the stockholder or as an element of security to the bank and the bondholder as the double liability of stockholders in the associations. By entirely eliminating the double liability on direct stock the direct borrower is required to assume just one-half the liability of loss assumed by a borrower through an association. The capital stock of the bank and the double liability of stockholders in the association are additional elements of the security behind

the bonds. To the extent that direct loans may be made, this additional security is reduced by one-half.

DIRECT UNINDORSED LOANS A DISCRIMINATION AGAINST ASSOCIATIONS.

I am not going to repeat the arguments against direct unindorsed loans. They are fully set forth on pages 17 to 22 of the pamphlet sent you.

THE ASSOCIATIONS CAN NOT COMPETE WITH AGENTS MAKING UNINDORSED LOANS.

No sensible borrower will assume the double liability incident to the ownership of stock in an indorsing association if he can get his loan through an agent without it.

It is discrimination to require association loans to be indorsed (with the indorsement backed by the double liability) and to permit agency loans to be made without indorsement. It is further discrimination to require a part of the dividends to associations to be set aside as reserves while the full dividends will be paid direct borrowers. Additional discrimination will result in association borrowers being required to lose a part or the whole of their dividend to cover defaults of fellow borrowers while the direct borrower is required to stand no loss at all in this respect. In addition to all this, the association as a stockholder in the bank must stand its share of the losses on direct loans which fall directly on the bank, while the direct borrower does not share the association losses on indorsements.

REDUCING THE SECURITY WILL INCREASE THE INTEREST.

This indorsement (backed in the double liability of stockholders in the association) is an element of security behind the bonds. It is prominently advertised by the bond houses in selling the bonds. To eliminate it is to create a different security, for which a new market must be created.

What is the necessity for this change? The associations have produced more business than the banks have been able to handle promptly. What is the need for additional agents to bring in business?

By doing business through associations which are required to indorse their loans, the poor risks have been kept out, and the banks have suffered practically no losses. Why do business through agents who will have no interest in a loan except their commission?

A market has been created which is taking the present bonds as fast as they are offered, at constantly decreasing rates of interest. Why destroy this market by substituting a different security?

LOAN LIMIT \$16,000.

The Strong bill 14041 increases the loan limit to \$16,000, with the provision that the Federal Farm Loan Board may in special cases authorize loans up to \$25,000, but that loans of \$10,000 and under shall be given the preference. In this connection, I call your attention to the fact that the increase in the loan limit is not dependent upon the passage of this bill. The Capper bill which has already passed the Senate contains an unqualified provision increasing the loan limit to \$25,000.

PERMANENT MANAGEMENT.

By the provisions of this bill the permanent management of the Federal land banks is to be in boards of seven directors. Each Federal land bank district is to be divided into three divisions. The associations and direct borrowers are to elect a director and nominate a candidate for director at large for each division. The board is to appoint the director at large from among the three nominated and is also to appoint three district directors.

While this provision limits the board in selecting the seventh director to one of three nominated by the stockholders, yet it gives the board the power to appoint four out of the seven directors. The director at large will know that unless he votes with the other three appointed by the board he will not be reappointed. He will be responsive to the wishes of the board, instead of to the wishes of the stockholders, whenever there is a conflict of views.

While even such a plan of choosing directors would be a distinct gain over the one contained in H. R. 13125, and standing alone might be worth a trial, yet the cooperative method of making indorsed loans through farm-loan associations should not be sacrificed to secure any such doubtful provision for permanent management as this. It is the inherent right of the stockholders to control their own property by choosing, without interference, at least a majority of the directors. Congress will recognize and observe this right when the associations unite in asserting it.

ALL BILLS AIMED AT DESTRUCTION OF COOPERATIVE SYSTEM.

The enactment of any of these bills (H. R. 13125, H. R. 14041, or S. 4130) will result in the disintegration of the farm-loan association, the elimination of cooperation, an increase in interest rates, the killing of the present market for bonds, and an eventual destruction of the system. The essential features of all these bills are the same as the recommendations of the Farm Loan Board in its fifth annual report. Soon after this report was made public, in response to Senator FLETCHER's questionnaire, hundreds of associations expressed their disapproval of these changes in the act.

Very truly yours,

L. C. MANSON.

Attorney for the Federation of National Farm Loan Associations.

REPORTS OF COMMITTEES.

Mr. TOWNSEND, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 4448) for the relief of certain disbursing officers, reported it without amendment and submitted a report (No. 1111) thereon.

Mr. McCUMBER, from the Committee on Finance, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 13774. An act to amend the revenue act of 1921 in respect to exchanges of property (Rept. No. 1113); and

H. R. 13827. An act relating to the sinking fund for bonds and notes of the United States (Rept. No. 1114).

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (H. R. 12368) to abolish the inspection districts of Apalachicola, Fla., and Burlington,

Vt., and the office of one supervising inspector, Steamboat Inspection Service, reported it without amendment and submitted a report (No. 1115) thereon.

ENROLLED BILL PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on February 8, 1923, they presented to the President of the United States the bill (S. 4029) to amend and supplement the act entitled "An act to incorporate the Texas & Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874.

MOBILE RIVER BRIDGE, ALA.

Mr. CALDER. I report back favorably without amendment from the Committee on Commerce the bill (S. 4469) to extend the time for the construction of a bridge or bridges and trestles over the navigable channels of the mouth of the Mobile River in the State of Alabama. The Senator from Alabama [Mr. HEFLIN] is anxious to have the bill passed, and I ask for its immediate consideration.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge or bridges and trestles, authorized by the act of Congress approved October 5, 1917, as revised and reenacted by the act of Congress approved February 14, 1922, to be built by the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, over and across the navigable channels of the mouth of Mobile River from Bay Port, in township 4 south, range 2 east, on the east shore of the waters of Mobile Bay, in Baldwin County, Ala., on a direct line to a point on Blakely Island, in Mobile County, on the east shore of Mobile River, opposite the municipal docks of the city of Mobile, Ala., are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RESTORATION TO PUBLIC DOMAIN OF LANDS IN LOUISIANA.

Mr. PAGE. Mr. President, from the Committee on Naval Affairs I report back favorably, with an amendment, the bill (H. R. 5224) to authorize the Secretary of the Navy to certify to the Secretary of the Interior, for restoration to the public domain, lands in the State of Louisiana not needed for naval purposes, and I submit a report (No. 1112) thereon. I may say that the bill has passed the House and come to the Senate and has been unanimously reported favorably by the Senate Committee on Naval Affairs. I think it will not take more than a minute to consider and pass the bill, and, as my friend from Louisiana [Mr. BROUSSARD] is interested in it, I ask unanimous consent for its immediate consideration. If its consideration shall take more time than I have indicated, I will withdraw the request.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was, on page 5, line 11, after the word "half," to strike out "or" and insert "of," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to cause to be certified to the Secretary of the Interior, for restoration to the public domain, the whole or such portion or portions of the several tracts of land in the State of Louisiana heretofore set apart and reserved for naval uses as are no longer required for the purposes for which they were reserved or for any purposes connected with the naval service, and upon such certification the tracts of land described herein shall be duly restored to and become a part of the public lands of the United States; and a preference-right entry for a period of six months from the date of this act shall be given all bona fide settlers who are qualified to enter under the homestead law and have made improvements and are now residing upon any agricultural lands in said reservations, and for a period of six months from the date of settlement, when that shall occur, after the date of this act: *Provided*, That persons who enter under the homestead law shall pay for such lands the value heretofore or hereafter determined by appraisal, not less than the price of the land at the time of entry; and such payment may, at the option of the purchaser, be made in five equal installments, at times and at rates of interest to be fixed by the Secretary of the Interior: *Provided further*, That the certification of lands hereby authorized by the Secretary of the Navy and the Secretary of the Interior shall be subject to confirmation of title, as follows:

Title is hereby confirmed to the original entrymen, their heirs, assigns, or legal representatives to the lands upon which entries were made at the United States land office at Opelousas, La., paid for at the legal rate at the time of entry for Government lands in that locality, and for which lands the said land office issued certificates of purchase to the original entrymen, as follows, to wit:

In township 14 south, range 11 east, on Cypress Island—
Fractional sections 31 and 32, Joseph T. Hawkins, August 7, 1844; certificate No. 4184.

In township 15 south, range 11 east, on Cypress Island—
Lot 1 of section 6 and lots 1 and 2, section 5, John Dawson, December 26, 1843; certificate No. 4115.

Lots 3, 4, and 5, section 5, and lots 2, 3, 4, and 5, section 6, John D. Alston, December 26, 1834; certificate No. 4114.

In township 15 south, range 12 east, on Navy Commissioners Island—

Fractional section 38 and lots 1 and 2, section 36, Henry Bradley, April 29, 1843; certificate No. 4081.

Lots 3 and 4, section 36, John L. Baize, September 5, 1838; certificate No. 1998.

In township 14 south, range 11 east—

Lot 3, section 27 (with other lands), John Brownson and Daniel Fisher, May 27, 1839; certificate No. 2604.

East half of southeast quarter section 27 (with other lands), Daniel Fisher, October 27, 1840; certificate No. 2799.

Lot 5, section 28 (with other lands), John Brownson and Daniel Fisher, May 27, 1839; certificate No. 2607.

Lots 3 and 4 and southwest quarter of southwest quarter section 28, Daniel Fisher, September 15, 1840; certificate No. 2759.

Fractional section 29, Daniel Fisher, September 16, 1840; certificate No. 2760.

Fractional section 32, Daniel Fisher, September 16, 1840; certificate No. 2762.

Northeast quarter section 33, John Fowler, May 10, 1839; certificate No. 2581.

West half and southeast quarter section 33, Daniel Fisher, September 16, 1840; certificate No. 2763.

East half of northeast quarter section 34, Daniel Fisher, October 27, 1840; certificate No. 2802.

Lots 3 and 4, section 34 (with other lands), Pierre Jupiter, May 10, 1839; certificate No. 2582.

Southwest quarter section 34, Daniel Fisher, September 16, 1840; certificate No. 2761.

Southeast quarter section 34 (or lots 5 and 7 and south half of southeast quarter), John Brownson and Daniel Fisher, May 27, 1839; certificate No. 2603.

West half of northwest quarter section 35, Daniel Fisher, October 27, 1840; certificate No. 2800.

Southwest quarter and west half of southeast quarter section 35, John Brownson and Daniel Fisher, May 27, 1839; certificate No. 2605.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to inquire of the Senator from Louisiana why the lands are not ceded directly to the State? So far as I am concerned I should be willing to have them ceded to the State.

Mr. BROUSSARD. I will state to the Senator that away back in 1832 these lands were set aside, consisting mainly of live-oak forests, for the purpose of constructing ships. In 1879 some of these lands were restored to the public domain in the State of Florida, and in 1895 in the States of Alabama and Mississippi. The lands in the State of Louisiana were never restored to the public domain. Through an error these lands were certified by the Land Office to the State of Louisiana, and under the laws of the State were rented by citizens of the State of Louisiana. Later it was discovered that the lands belonged to this naval reservation. We are now asking that the lands be restored in the State of Louisiana, just as they were in Florida, Alabama, and Mississippi—merely that they be restored to the public domain and be disposed of under the Federal laws.

Mr. KING. Mr. President, as I stated, I think it would be wiser and fairer to transfer these lands to the State. What business has the Federal Government with those lands that the people of Louisiana have been occupying for years? I believe in extinguishing so far as it is possible the title of the Federal Government to lands that the Federal Government does not need within the States and transferring the jurisdiction to the States. I should be willing to transfer these lands directly to the State of Louisiana and let the State dispose of them as it sees fit.

Mr. BROUSSARD. We did not propose to introduce a bill here that was contrary to the existing law. That was the reason for it.

Mr. KING. I would be more generous than the Senator if I had the disposition of these lands.

Mr. BROUSSARD. We merely want them restored to the public domain.

Mr. KING. I think the Senator makes a mistake. I think he ought to provide that title shall be taken by the State of Louisiana, and I feel sure that the Senate would vote to give the State the lands.

Mr. BROUSSARD. I wish to say to the Senator from Utah that this bill has passed the House, and we would like to have it become a law.

Mr. KING. If the Senator is satisfied, I am satisfied, of course.

Mr. McKELLAR. Mr. President, may I ask whether the lands will be subject to entry and patent just exactly as other lands are?

Mr. BROUSSARD. Yes; they will be.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 4498) to authorize the purchase of a general and surgical hospital in Los Angeles County, Calif., and for other purposes; to the Committee on Finance.

By Mr. FERNALD:

A bill (S. 4499) granting a pension to Affie M. Crockett; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 4500) authorizing the appointment of William Schuyler Woodruff as an Infantry officer, United States Army; to the Committee on Military Affairs.

By Mr. OVERMAN:

A bill (S. 4501) providing for the closing of Weaver Place NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. CALDER:

A bill (S. 4502) to authorize the construction of a subway for the transmission of mail in the city of New York, N. Y.; to the Committee on Post Offices and Post Roads.

By Mr. FRANCE:

A bill (S. 4503) granting the consent of Congress to Bethlehem Steel Co. to construct a bridge across Humphreys Creek at or near the city of Sparrows Point, Md.; to the Committee on Commerce.

By Mr. RANSDELL:

A bill (S. 4504) authorizing the Secretary of the Interior to sell and patent certain lands to Robert E. Wyche, a resident of Caddo Parish, La.; to the Committee on Public Lands and Surveys.

By Mr. LENROOT:

A bill (S. 4505) granting a pension to Eldora Mallon; to the Committee on Pensions.

AMENDMENT TO WAR DEPARTMENT APPROPRIATION BILL.

Mr. SPENCER submitted an amendment providing that so much of section 24 of the act approved June 4, 1920, as provides that any person originally appointed under the provisions of said act at an age greater than 45 years shall, when retired, receive retired pay at the rate of 4 per cent of active pay for each year of commissioned service shall not be construed as applicable to said officers when retired for disability incident to the service, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 10817) to amend section 100 of the Judicial Code of the United States.

The message further announced that the House had passed a bill (H. R. 10819) relating to the Department of Agriculture, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 4029) to amend and supplement the act entitled "An act to incorporate the Texas & Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874, and it was thereupon signed by the Vice President.

HOUSE BILL REFERRED.

H. R. 10819. An act relating to the Department of Agriculture was read twice by its title and referred to the Committee on Agriculture and Forestry.

REGULATION OF RADIO COMMUNICATION.

Mr. KELLOGG. Mr. President, House bill 13773 is the radio bill which passed the House a few days ago, and has not yet been referred. The bill would properly go either to the Interstate Commerce Committee or to the Commerce Committee. The original radio bill came from the Commerce Committee; but after consulting with the Senator from Washington [Mr. JONES], he thinks that as the Interstate Commerce Committee

has taken some testimony on this subject the bill ought to go to that committee, and I ask that it be so referred.

The bill (H. R. 13773) to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes, was read twice by its title and referred to the Committee on Interstate Commerce.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT.

Mr. JONES of Washington. I desire to submit a conference report on the District of Columbia appropriation bill. The principal items in the bill are reported in disagreement. The conferees on the part of the House will submit some proposals to the House, which will later come to the Senate. Otherwise the agreement simply covers minor items in the bill. I ask for the present consideration of the report.

The PRESIDING OFFICER (Mr. LADD in the chair). Is there objection to the present consideration of the conference report presented by the Senator from Washington? The Chair hears none. The Secretary will read the report.

The Assistant Secretary read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13660) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 6, 7, 10, 11, 16, 29, 32, 40, 41, 42, 43, 45, 47, 48, 60, 61, 62, 63, 67, 68, 77, 78, 80, 81, 82, 90, 92, 93, 97, 107, 109, 110, 111, 113, 119, 122, 128, and 130.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 8, 9, 13, 14, 17, 18, 20, 21, 22, 23, 26, 27, 31, 34, 35, 36, 37, 38, 39, 50, 52, 59, 66, 70, 72, 73, 79, 85, 86, 89, 91, 94, 95, 98, 99, 102, 108, 114, 115, and 125; and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "\$154,180"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and two Ford runabouts of the 'slip-on' body type without self-starter, not exceeding \$550 each; in all, \$3,750"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: " : Provided, That after April 30, 1923, until the constitutionality of the act creating this board shall have been determined by the Supreme Court of the United States there shall not be expended from this appropriation or from the appropriation for this board for the remainder of the fiscal year 1923 a greater sum than at the rate of \$1,600 per annum for personal services and \$400 per annum for contingent and miscellaneous expenses "; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "including an allowance to the secretary of the Board of Charities, not exceeding the rate of \$20 per month, for the maintenance of an automobile to be furnished by him and used in the discharge of his official duties, \$47,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "other than motor vehicles for the police and fire departments, but no such vehicles shall be transferred from the police or fire departments to any other branch of the government of the District of Columbia "; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$16,500"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and

agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$573,300"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$20"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$55,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "\$20 per month for an automobile, and \$10 per month for a motor cycle"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "\$20 per month for automobiles, and \$10 per month for motor cycles"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$860,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$20"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$30,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "give his whole time from 9 o'clock a. m. to 4 o'clock p. m., and"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert: "\$240"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "or contracts as in this act provided"; and the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided, That none of the money appropriated by this act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which, exclusive of heating, lighting, and plumbing, shall not have been awarded in one or a single contract, separate and apart from any other contract, project, or undertaking, to the lowest bidder complying with all the legal requirements as to a deposit of money or the execution of a bond, or both, for the faithful performance of the contract: *Provided further*, That no architect's fee shall be paid or obligated for plans, specifications, or any professional services whatever unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress for the building or other projects: *Provided further*, That nothing herein shall be construed as repealing existing law giving the commissioners the right to reject all bids"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "The total cost of the sites and of the several and respective buildings herein provided for, including heating, lighting, and plumbing, when completed upon plans and speci-

fications to be made previously and approved, shall not exceed the several and respective sums of money herein respectively appropriated or authorized for such purposes, any provision in this act to the contrary notwithstanding"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$8,500"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$20"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "\$325; maintenance of motor vehicle used in performance of official duties, at not to exceed \$20 per month, \$240"; and, on page 69 of the bill, in line 7, strike out "\$5,137" and insert "\$5,065"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$1,700"; and the Senate agree to the same.

Amendment numbered 103: That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "\$56,000, and all moneys hereafter received at the reformatory as income thereof from the sale of brooms to the various branches of the government of the District of Columbia shall remain available for the purchase of material for the manufacture of additional brooms to be similarly disposed of"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$136,000"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$10,000"; and the Senate agree to the same.

Amendment numbered 120: That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended as follows: On page 91 of the bill, in line 3, strike out "\$40,000" and in lieu thereof insert "\$45,000," and on page 91 of the bill, in line 18, strike out "\$8,000" and in lieu thereof insert "\$10,000," and on page 92 of the bill, in lines 2 and 3, strike out "\$20,000, payable wholly out of the revenues of the District of Columbia," and in lieu thereof insert "\$15,000"; and the Senate agree to the same.

Amendment numbered 121: That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For the preparation of designs and estimates for development of the Rock Creek and Potomac Parkway, \$4,000"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 24, 33, 55, 56, 64, 65, 75, 76, 83, 105, 112, 116, 117, 118, 123, 124, 126, 127, and 129.

LAWRENCE C. PHIPPS,
W. L. JONES,
L. HEISLER BALL,
CARTER GLASS,
MORRIS SHEPPARD,

Managers on the part of the Senate.

LOUIS C. CRAMTON,
ROBERT E. EVANS,
BEN JOHNSON,

Managers on the part of the House.

Mr. JONES of Washington. I ask for the adoption of the conference report.

Mr. McKELLAR. May I ask the Senator if the House provision has been agreed to relative to the question of passenger-carrying automobiles?

Mr. JONES of Washington. It was.
Mr. McKELLAR. And the Senate receded from its amendment?

Mr. JONES of Washington. The Senate receded from its amendment.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

POST OFFICE APPROPRIATIONS—CONFERENCE REPORT.

Mr. TOWNSEND. I present the conference report on the Post Office appropriation bill and shall ask for its immediate consideration.

Mr. LODGE. Is the report a complete agreement?

Mr. TOWNSEND. It is.

The PRESIDING OFFICER. The Secretary will read the report.

The Assistant Secretary read as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 12, and 13.

CHAS. E. TOWNSEND,
THOMAS STERLING,
LAWRENCE C. PHELPS,
KENNETH McKELLAR,

Managers on the part of the Senate.

C. B. SLEMP,
MARTIN B. MADDEN,
CHAS. F. OGDEN,
EDWARD T. TAYLOR,
C. D. CARTER,

Managers on the part of the House.

Mr. TOWNSEND. I ask unanimous consent for the immediate consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

STREET-RAILWAY FARES IN THE DISTRICT OF COLUMBIA.

Mr. McKELLAR. Mr. President, some days ago Commissioner Keller, of the District of Columbia Public Utilities Commission, published a reply to certain statements I had made about 5-cent fares, in which reply he took occasion to say I ought not to complain of 8-cent fares here when we had 7-cent fares in Memphis, Nashville, and Chattanooga, and 6-cent fares in Knoxville. In making the statement I suppose Commissioner Keller must have thought I was in favor of such fares in Tennessee and was only opposed to such fares in Washington. Mr. Keller is very greatly mistaken.

Mr. President, I am opposed to the present high rate of street-car fares in Washington and I am opposed to the present high rates of street-car fares charged by street-car companies in Tennessee. I want to say that the same cause of the high fares exists in Tennessee that exists in Washington, namely, a public utilities commission. I shall not speak of the street-car situation in Nashville, Knoxville, and Chattanooga, because I am not absolutely familiar with their contracts. I think, however, that each of those cities has a contract with the respective street-railway companies for a 5-cent fare. I know this is true in Memphis. It is a charter contract, just as it is in Washington.

However, a public utilities law was passed in Tennessee for the ostensible purpose of regulating public utilities, and there, as here, instead of the commission regulating the public utilities, it has permitted the public utility companies to violate their contracts by raising their rates of fare. So incensed were the people of Tennessee at the action of the public utilities commission in raising street-car and other fares that the question of the abolition of the utilities commission became an issue between the Democratic and Republican Parties in the last campaign. Governor Peay, candidate of the Democratic Party, taking the position that the utilities commission should be abolished. He was elected by 38,000 majority. A bill is now pending to abolish the utilities commission of that State, and I have no doubt that the platform pledge will be lived up

to and the utilities commission abolished and all the street-car companies of the State required to operate their lines in conformity with their several contracts.

I am in favor of the abolition of the public utilities commission in Tennessee just as I am in favor of abolishing the Public Utilities Commission here in Washington. In both places, without making any charges whatsoever against the members of the commissions personally, the result of their action in regard to street-car fares has been favorable only to the street-car companies and not in favor of the people. In both places the utilities commission has assumed the right to permit the street-car companies to violate their contracts. The utility commissions were never created for any such purpose. At the time of their creation there was never any claim made that they would have any such power, and their exercise of the power is wholly unwarranted and, in my judgment, without the pale of the law. If the constitution and laws were properly administered, the action of the Tennessee Utilities Commission in raising fares in violation of contracts would be unconstitutional and void as contrary to that provision of the United States Constitution which inhibits a State from passing any law impairing the obligation of a contract.

Mr. President, there is another similarity between the Memphis street-car situation and one of the Washington street railway companies, namely, that in each place the street-car company is undertaking to secure fares high enough to earn dividends on watered stock. During the time I have been in Memphis the street-car company has been reorganized two or three times, or possibly more, and each time there was an enormous addition to the stock issued. Just now, even with 7-cent fares, that company is not able to make dividends on its watered stock and is in the hands of a receiver.

Mr. Keller claims that the Washington Utilities Commission is not undertaking to say that the Washington companies shall earn dividends upon watered stock, but that the purpose of the commission is to keep the fares at such a rate as will earn a reasonable return on the valuation of the company. Of course, Mr. President, we all know that this is just another way of providing for the earning of dividends on watered stock. Valuation is always a matter of opinion. The real question is, What amount of money has been invested by the present stockholders? It has never been denied that much of the present stock of one of the companies is watered stock, and that watered stock is now selling at a very high price solely because the commission has raised the rates so high as to earn money on such watered stock. The Congress owes it to the people in the District of Columbia to prohibit the earning of dividends upon watered stock regardless of valuation. The Utilities Commission was created to prevent the street-car companies from exploiting the citizens of Washington. Instead of its carrying out its original purpose, it is aiding the street-car companies in exploiting the citizens. The Congress also owes it to the people of the United States to set a good example to the rest of the country in prohibiting the exploitation of the people of the District of Columbia for the benefit of these stock manipulators.

I want to take this occasion also to say, Mr. President, that high street-car fares is not the only subject upon which our Public Utilities Commission here is at fault. I have no doubt the commission is permitting the gas company and the electric light company and other public utilities to charge rates higher than are permitted in their contracts. I am inclined to believe that the whole public utilities commission law should be repealed, but for the present I am not going to take up the matter. My first purpose is to confine myself solely to reducing street-car fares in Washington to accord with the contracts between the Government and the companies. The adoption of the amendment I have offered to any one of the District bills would effect this purpose. When we get street-car fares reduced in accordance with the contract, we will take up the remainder of the reduction program afterwards. I have offered amendments to various District bills upon which I propose to obtain a vote, if possible, whenever the bills come up. The fight is on and is going to be continued until the matter is settled and settled right.

On yesterday a purported interview was given out by Mr. Keller or one of the other Utilities Commissioners which reads in part as follows:

If any member of the Senate or anyone else can tell the Utilities Commission how it can reduce street-car fares below the present point we will welcome the information, but it is time that Members of the Senate and others also should cease discussing something about which they apparently have never taken the trouble to inform themselves properly. The capitalization of the car companies, I repeat, has nothing to do with the rate of fares, which is fixed on the valuation of the property, which in turn was set by the Utilities Commission.

Mr. President, I shall pass over this lecture of the Senate or Senators by the Public Utilities Commissioners. It is the old story of the attitude of one possessed with a little brief authority. The commissioner who made the statement does himself no credit by making such a statement and does the cause of the street-railway companies no good. I suggest to him that if he wants to continue to serve the street-car companies well and faithfully he had better quit criticizing Senators in their efforts to defend the people of Washington against the depredations of the predatory interests.

WORLD WAR FOREIGN DEBT SETTLEMENT.

Mr. HARRISON. Mr. President, on yesterday the President of the United States came before the Congress and delivered his message. We had thought, indeed many of us had hoped, that it would be confined to the very important question of the agreement entered into between the representatives of this country and of Great Britain with respect to the funding of the British debt. That part of the message touching the agreement entered into between the representatives of this country and the representatives of Great Britain with respect to the funding of the debt was couched in eloquent language and was most adroit. It was a very beautiful picture of the possibilities that are interwoven in the agreement. I shall not to-day, in the brief time I shall occupy the floor, take issue with the President on anything he said respecting the funding of the debt. I think that he exaggerated the situation; that he magnified the possibilities; and that he gave greater weight to the agreement than the facts would warrant.

In the course of his message, touching the funding of the debt, the President said:

The call of the world to-day is for integrity of agreement, the sanctity of covenants, the validity of contracts.

Then he said that the agreement—

is a covenant of peace and recuperation, of respect and cooperation.

He said further that—

It is a new element * * * a reminder of the ways of peace.

Then he drew a picture of the encouragement and inspiration that would come from it when the world, as he said—

is staggering in discouragement and bowed with the sorrows of wars that were and fears of wars which humanity is praying may be avoided.

Now, I can not see why this very beautiful picture was drawn with respect to the covenants of peace. I wonder if the call of the world to-day for integrity of agreement is greater than it was three years ago? I wonder if the call of the world to-day for sanctity of covenants is greater than it was three years ago? I wonder if the call of the world to-day for the validity of contracts is greater than it was three years ago?

I am wondering in my own mind, and I am sure people throughout the country as they read the message of yesterday are wondering, why it is that the distinguished President did not feel the same impulse three years ago that he feels now when the call of the world is for integrity of agreements, the sanctity of covenants, the validity of contracts. I am glad, however, that the President at this late time, almost five years since the war clouds have passed and the armistice was signed, can now say as he said in his message—

Here is the first clearing of war-clouded skies in a debt-burdened world.

I am wondering, since all the power was placed in his hands and he has wielded the scepter now for three years, why during that time he has not done something before that might clear the war-clouded skies in a debt-burdened world. Why, may I ask, has the President of the United States seen fit, at this late day and for the first time on yesterday, to do the first positive act that might lift the war clouds from a war-burdened world?

I can not attach such great significance to the agreement. It may be that the representatives of Great Britain should be praised for their work. I shall not criticize it nor shall I condemn the representatives of this country for the agreement into which they have entered. But I see no occasion for great and profuse praise for Great Britain in this instance. They have done nothing more than every American citizen who knew the history of Great Britain expected them to do. Is it not an honest debt? Were not the American people taxed in order to help them to the amount of the indebtedness? When we made the loan did we not expect Great Britain to comply, as she always has complied, with her promises in the matter of the payment of her indebtedness? What is it the representatives of Great Britain have done in the agreement that the American people did not expect them to do when the money was loaned to them? Why all this praise of Great Britain for entering into the agreement? They have done nothing more nor less in funding the indebtedness, in entering into the agreement, than was expected Great Britain would do.

Some of us, not only on this side of the Chamber but on the other side as well, will defer judgment as to what we shall do until the matter is laid before the Senate. Personally I want all the facts. I do not want to see the agreement delayed in the Senate one day longer than is necessary for the facts to be laid before us and an honest discussion of the agreement had upon the floor of the Senate. So much for that.

Now, Mr. President, when we had expected a message to be delivered on a high plane, as it was on a high plane so far as the funding of the British indebtedness is concerned, namely, the first part of the message, why should the President have come to the Congress and offered insult to the Senate of the United States? About the only time applause was elicited during the delivery of the message was when he said that the Senate of the United States by its delay had shown and exhibited a mark of impotence.

Read between the lines, analyze the language, place the interpretation upon it as those who heard it yesterday did, and no other conclusion can be reached than that the President intended to have the country believe that we were but marks of impotence in the Senate of the United States. He raised that issue and did the unseemly thing of coming down from the high pedestal upon which he should always stand as President of the United States to tie a ship subsidy bill to his message and offer insult to the Senate of the United States. Here is what he said:

Congress owes to itself, to the executive branch of the Government, and to the American public some decisive action.

He was speaking then of the ship subsidy bill. He said:

Mere avoidance by prolonged debate is a mark of impotence on a vitally important public question.

He said further:

I plead for a decision.

Ah, Mr. President, mere avoidance by prolonged debate was not believed in by the President of the United States when he was a Senator from Ohio and with others who entered into the conspiracy with him held up the treaty of Versailles. It was then not a mark of impotence upon the part of Senators to take that course. On yesterday he said:

I plead for a decision.

Yes; and the then President of the United States pleaded for decision with reference to the treaty of Versailles. President Harding did not believe at that time that a mere avoidance by prolonged debate was a mark of impotence, and yet debate was continued in this body and unnecessarily prolonged. Instead of a few days, as has marked the consideration of the ship subsidy bill, it wended its weary way along for, I believe, almost a year. Not only did the now President of the United States, who was then a Senator from Ohio, assist in prolonging the debate and avoiding the issue and not making decision with respect to the treaty of Versailles, but he was one of the Senators who signed the round robin serving notice upon the representatives of this country at Versailles that no matter what they did if the League of Nations, which was intended to promote the peace of the world, should be included within the treaty of Versailles it would be not only avoided and delayed but would be defeated.

Ah, Mr. President, he said:

There is call for congressional expression, not mere avoidance.

And further:

I plead for a decision.

It is almost enough to make one who is familiar with the attitude of the President of the United States, the attitude that has marked his course as Chief Executive of this Nation, laugh when he hears him tell the Senate of the United States that it must show some mark of decision, some action, some program, some policy. The President of the United States telling us that we ought to evidence some qualities of decision! Why, Mr. President, the executive department of this Government does not know what the word "decision" means, and it has not since it took control of the Government two years ago. The executive department have supplanted the word "decision" with the word "vacillation," and no one, not only with respect to our domestic policies but with respect to our foreign policies, has been able to tell one day what would be the policy the next. The administration has worshipped at the shrine of isolation and has marched to the tune of a program of negation. Decision! The administration does not know that the word is in the dictionary; yet the President comes to the American Congress and offers an insult to the Senate of the United States by his expression, as such, because, forsooth, for a few days, during the short session of Congress, some of us have seen fit to oppose his program affecting the ship subsidy bill. Mr. President, I accept the insult that is offered as a compliment

to me and to my people. I have been able in part up to this good hour, in common not only with Senators on this side of the aisle but with some on the other side of the Chamber, to prevent the additional burdens to the amount of \$875,000,000 which are carried in the ship subsidy bill from being imposed on the American people.

The President should have known that we have done pretty well in the Senate of the United States during this session of Congress. He saw fit to call an extraordinary session solely to deal with the ship subsidy bill, and yet during the two or three weeks we were then in session the ship subsidy bill did not come before the Senate; we did not have it here for discussion. So no blame could attach to us for any delay during that time. The blame for delay must attach to those in the majority who have attempted to steer the bill through the Senate of the United States. Since we met in regular session in December last what has been the record of the Congress? Does it warrant the President in finding fault with us for asking a reasonable time within which to discuss the ship subsidy bill, a measure which proposes to revolutionize our merchant marine and at the same time, as I have said, which would carry additional burdens to the American people?

A few years ago—in 1919, I think it was—the distinguished Senator from Washington [Mr. JONES], the chairman of the Commerce Committee of the Senate, reported to the Senate a bill to take care of the merchant marine. We were told at that time that the measure thus reported embodied the policy of the Government with respect to the merchant marine; we were told that if we passed that legislation we should be able to boast of a merchant marine second in all the world only to that of England. I recall that at that time the President of the United States was a distinguished Senator from the State of Ohio, and I shall never forget him rising in his place and making a speech in support of that measure. I recall how he pleaded for its passage; how he said it would guarantee a merchant marine to America; and yet we are now told by the President, who has fallen under the influence of Lasker, who jumps when Lasker pulls the string—and it is due more to Lasker's influence and power of persuasion over the President than to anything else that to-day we have the ship subsidy bill in the United States Senate, which hardly a Republican Senator in his heart indorses—that the funding agreement and the ship subsidy bill "are inseparably related to our good fortunes at home and our high place in the world."

He thought when we passed the Jones merchant marine act that we had enacted a piece of good legislation which would insure to us a merchant marine, but now he tells us that should the ship subsidy bill fail, not only shall we have to liquidate but that we shall also be humiliated in doing so.

Mr. President, what is it that this administration has done which proves that we are trying to take our "high place" in the world? Has it done it by erecting barriers with tariff rates so high that they hamper our international trade? Does it do it by refusing to attend economic conferences in order to stabilize the world which is in distress? Does it do it by refusing to permit the majority Senators here to pass the so-called Robinson resolution to remove the obstacle which the Republican Party incorporated into the law by the ratification of the separate treaty with Germany forbidding the President to name a representative upon the Reparation Commission without the consent of Congress? Is the Republican Party promoting good relationship with all the world and carrying us to a higher level among all people by refusing to permit the distinguished Senator from Idaho [Mr. BORAH] to secure consideration for his resolution proposing an economic conference of European powers? Yet the President has stated that because we have asked for a liberal discussion relative to the ship subsidy bill we are going to lose our "high place" among all the peoples of the world.

Mr. President, I care not how long a Senator may have served in this body, I assert there is not a Senator here who in all his experience ever saw legislation affecting the general supply bills go through more quickly and with less discussion than has been the case as to such legislation during this session of Congress. Have we thrown obstacles in the way of their passage? No; we have cooperated with the majority to provide to all branches of the Government the necessary appropriations in order that the Government might be run in an orderly manner. We have passed every supply bill save one, and it has been done through the cooperation of the minority in this body. Indeed, the only bill concerning which it could have been hinted that there was the slightest filibuster was the agricultural credits bill; and I recall that twice I myself offered a request for unanimous consent to close debate so that we

might vote on it. Both times, however, the objection came from the other side of the aisle; and finally when a unanimous-consent agreement was entered into to vote on that bill, the request for unanimous consent came from the distinguished Senator from Virginia [Mr. SWANSON], a Democratic Member of the Senate.

We on this side proposed a unanimous-consent agreement to stop the debate upon the pending bill. We have been willing to stop debate upon it; but the objections which have been made to closing the debate, as my friend the Senator from New York [Mr. WADSWORTH] knows, because he made such a request, came from a Republican Senator, a friend of the present administration. Yet the President of the United States comes to Congress and with the power and influence he has endeavors to create the impression that we here are recreant to our legislative duty and have not cooperated with the majority in passing legislation through this body. I deny the assertion.

For my part, if the President of the United States and the leadership on the other side of the Chamber would say, "We want to vote on the ship subsidy bill to-morrow, and we will use our influence upon those Members of the Senate who went down to defeat at the November election and who do not now represent the wishes of the people affecting this matter, to cause them to refrain from voting," we would be ready to vote. If such an understanding or agreement could be reached, Senators on the other side of the Chamber know that the ship subsidy bill would be defeated by at least 8 votes in the United States Senate. The most optimistic champions of the ship subsidy legislation in this body claim only 2 majority if any vote should come on the ship subsidy bill, and that 2 majority comes from the fact that at least 10—I believe it is 10, though perhaps the number may be greater—of the Senators who went down in defeat in November will vote for the ship subsidy bill.

Do you think, Mr. President, that the American people when they understand the situation will be hoodwinked or misled about it? If the President wants action on the ship subsidy bill upon the part of Senators who represent the people as well as Representatives in the other House who represent the people, let him call an extra session of Congress on the 5th day of March, so that we may meet here, and then we will give you "a run for your money," and let you have a vote pretty quickly. Are we asking an unreasonable thing when we make that suggestion? Are we to rest under the imputation that we are asking anything unfair when we are trying to defeat a piece of legislation that is wicked; that is monstrous; that is unfair and wrong, which seeks to take from the people \$875,000,000 and give it over to the shipping trust? Because we rise here and protest against that are we to be held up to the country as emblems of impotency?

Now, Mr. President, one more thought and I am through. The shipping trust of this country is not in a bad shape. It made tremendous profits during the war. I will tell the Senate, however, a class of people who are in distress, who have been in distress not for a month or two months, as my friend from Colorado and my friend from Oregon and others know, but have been in distress for three years and more, and that is the American farmer. I do not know what the price of wheat to-day is, but I am told that the wheat growers can not get a reasonable price for it and that every farmer who raises wheat is losing money. I will ask the Senator from Iowa [Mr. BROOKHART] what is the price of wheat to-day?

Mr. BROOKHART. The price is now about \$1.15 a bushel.

Mr. HARRISON. The price is about \$1.15 a bushel for wheat, while corn only a little while ago was selling for from 25 to 30 cents a bushel. I do not know what the price of corn now is, but I know it is not over 60 to 65 cents a bushel. There is distress in every agricultural district throughout this country. Farmers have had their mortgages foreclosed. They have seen their deposits and balances in the banks dwindle and disappear. Distress is everywhere. Rising to the emergency, rising to the hour, this body, which on yesterday the President of the United States lifted his voice against and criticized, passed only last week or week before last two measures intended to help the agricultural interests of the country, one of them known as the Capper bill, the other known as the Lenroot agricultural credits bill, both seeking as best they could to help the farmers and the live-stock men of the country to procure credit so that they might exist and prosper. Mark you, Mr. President, those two bills passed this body by the unanimous indorsement of every Senator here. On the Capper bill there was not even a roll call, so unanimous was the support accorded it; and on a roll call on the Lenroot agricultural credits bill 62 Senators raised their voices and voted in the affirmative, and every one who

was absent was for it. Those bills have gone to the House, and yet I read in the paper this startling headline:

No farm credits until ship subsidy passes—Harding may outmaneuver the blocs after all.

The article says that the leader of the Republican Party in the House went up to see President Harding, and he came back and said: "I am not sure that an agricultural credits bill will pass the House of Representatives."

What is it that this administration would do in order to carry to fulfillment their nefarious measures that can not be defended before an honest citizenship in this country? When the President yesterday was speaking so eloquently in behalf of the Shipping Trust and for the passage of the debt-funding measure, why did he not lift his voice and exert the power of his office, in view of these statements that are printed and the rumors that are here and the plans that are being promulgated, and say to the House of Representatives: "Gentlemen, the Senate has passed two pieces of legislation for the farmers—the Capper bill and the Lenroot agricultural credits bill"? He could have then said: "Gentlemen, they received the unanimous indorsement of the Senate of the United States. I want to appeal to you—because when Congress adjourns on the 4th of March it will not meet, perhaps, unless I call it back, until December, 1923—let me appeal to you, Representatives, to pass the rural-credits legislation." No; the President's time was too much occupied in telling about the ship subsidy bill, and in reflecting on the Senate of the United States, and in urging the passage of that bill.

Why, I have heard it said that some of the high officials connected with the ship subsidy bill say that the word will come down the line that this funding agreement will not be ratified until the ship subsidy bill is out of the way. I hope that is not true, but if you start tactics of that kind you will be to blame for whatever the consequences may be.

The American farmers will read that message of yesterday, Mr. President, and they will wonder not one time but many times why it was that the President, with only these few days remaining, did not appeal to the House, as he appealed to the Senate to pass the ship subsidy bill, to pass the two measures that we have given them to facilitate credits for the agricultural interests of the country.

WAR DEPARTMENT APPROPRIATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. NORRIS. Mr. President, when I was interrupted yesterday by several very lengthy statements of Senators I had commenced to read from the report of the engineers that had been printed in the Record the day before some items that it seemed to me required at least some additional evidence to justify their presence in this legislation. It is true they are not in the bill; this is a lump sum; but we have been informed by this report where the money is to go if the lump sum remains intact and the bill is passed in that form. It seemed to me that where there was a river or a harbor already completed, or nearly completed, and the cost of maintenance that must come out of the Treasury of the United States was practically the same and in some instances more than the entire tonnage that went through the river in the preceding year, the burden of proof was placed upon those who wanted to use the money for that purpose, and that unless it did affirmatively appear that the item was a meritorious one it was a good reason why the lump-sum appropriation should be cut down. I assume that if the lump-sum appropriation is cut down, those in charge of the distribution of the sum will divide it up among those projects which, in the judgment of the Board of Engineers, are the most meritorious, and that the least meritorious propositions will be excluded in the division of the fund.

I had read only one of these items—there are a great many of them—when immediately I was attacked by those who favor the bill in its entirety. I can not be put in the class of Senators who are opposed to river and harbor improvement. I believe in it; but I had called attention yesterday to the fact that river and harbor appropriation bills were in bad repute with the country because history had shown that they contained so many unworthy projects for development and improvement at the expense of the taxpayers of the country, and that the people had begun to regard the river and harbor bill as a pork-barrel proposition gotten together by logrolling tactics, and that by a combination of a whole lot of inferior propositions, a great many of them unworthy propositions, the votes of the Representatives and the Senators were massed in sufficient quantity to give a majority at all times and put the bill through.

For the sake of good legislation for rivers and harbors, for the sake of the fair development of river and harbors and the improvement of our commerce, that condition ought to be eliminated by putting the river and harbor bill and all the items in it above suspicion. While I think it has been improved, that state of affairs has not been brought about and does not exist now in reference to this lump-sum appropriation. Instead of jumping on a Senator or a Representative who modestly calls attention to some item that he thinks ought to be excluded, we ought to have the assistance of all believers in fair development of the rivers and harbors of our country. We ought to unite all those who believe they ought to be properly developed in order to throw off that suspicion and let the bill be able to stand before the country on its merits and eliminate the suspicion that I think was well grounded and that exists yet. So I am not speaking as an enemy of river and harbor appropriations; I am pleading for what I believe to be legislation that will fairly develop those harbors and those rivers that under existing conditions and the condition of the Treasury can be with good business judgment improved and developed.

Mr. President, in the report to which I have referred there are some other items to which I wish to call attention; and I want to hurry on, because I understand several other Senators perhaps want to debate this proposition, and the debate is limited to 4 o'clock, and I do not want to deprive anybody else of reasonable debate.

I notice here an item where the maintenance charge is \$34,500, and the tonnage is 5,165 tons.

Here is another one where the maintenance charge is \$2,000, and the entire tonnage the preceding year was 2,900 tons—practically a dollar a ton. The other one that I mentioned is much more than a dollar a ton.

Here is another one where the engineers propose to use \$5,000 for maintenance in the coming year, and yet the entire tonnage of that stream during the preceding year was only 2,215 tons; more than \$2 a ton.

Mark you, Mr. President, this must be paid out of the Treasury of the United States. Unless there is some specific reason out of the ordinary why these things should be done, it seems to me that we are not justified in taxing all the people of the United States a sum that is from \$1 to over \$2 a ton for all the tonnage that goes down the stream in order that it may be kept open for navigation. As a business proposition no business concern on earth would continue to do such a thing.

[At this point a message was received from the House of Representatives, which appears earlier in the proceedings.]

Mr. WADSWORTH. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. I yield.

Mr. WADSWORTH. I submit a request for a unanimous-consent agreement, which I would like to have read by the Secretary.

The VICE PRESIDENT. It will be read.

The ASSISTANT SECRETARY read as follows:

It is agreed by unanimous consent that from and after the hour of 2 o'clock p. m. on the calendar day of Friday, February 9, 1923, no Senator shall speak more than once nor longer than 10 minutes upon the bill H. R. 13793, "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes," nor more than once nor longer than 10 minutes upon any amendment thereto that may then be pending, or any amendment that may thereafter be offered thereto, or on any motion made relative to the bill or amendments.

Mr. WADSWORTH. I ask unanimous consent that the proposed agreement may be entered into.

The VICE PRESIDENT. Is there objection?

Mr. KING. I suppose the Senator agrees that there ought to be a quorum call, in order to have all the Senators present?

Mr. NORRIS. If that is to be done, I hope it will take place later.

Mr. WADSWORTH. It is not necessary under the rule to have a quorum. No hour is fixed for a final vote on the bill in the proposed agreement. It is simply an agreement to limit debate to 10 minutes after 2 o'clock to-morrow.

Mr. KING. Speaking for myself, I am willing to assent to it.

Mr. WADSWORTH. I have consulted with quite a number of Senators, and I find no disposition to object to the agreement.

Mr. KING. Did the Senator consult with the Senator from Idaho [Mr. BORAH]?

Mr. WADSWORTH. I did.

Mr. KING. And he agreed to it?

Mr. WADSWORTH. He agrees to it.

Mr. KING. Did the Senator consult the Senator from Iowa [Mr. BROOKHART]?

Mr. WADSWORTH. No; I did not.

Mr. KING. Will the Senator withhold the request until the Senator from Iowa is present?

Mr. WADSWORTH. I will withhold it.

The VICE PRESIDENT. The Senator from Nebraska will proceed.

Mr. NORRIS. Mr. President, another item similar to those I have previously read is an instance where the maintenance charge is \$2,000 and the tonnage is 1,800 tons. Another one is where the maintenance charge is \$2,000 and the tonnage is 1,050 tons, practically \$2 a ton. I could go on and give many other items similar to these, some worse and some not so bad. I wonder if we understand that it is proposed that we shall take, for some little locality, for some local community, for their benefit entirely, enough money from the Treasury of the United States to pay \$2 a ton, or 50 cents a ton, for the tonnage which passes through the stream or enters into the harbor?

Can we, under any system of government, justify that? I appeal to those who are behind river and harbor appropriations, where there is some justification for appropriations, can we afford to put before the country the good propositions jeopardized by putting in with them a lot of unworthy propositions? Are we not now, under the present parliamentary situation, up to this point, that if we have any river and harbor improvements at all, we must cut down this lump sum in order to compel those who are to distribute the money to divide it up among the good ones and cut out the poor ones?

There is a reason now why we ought to be more careful than under ordinary conditions, which I mentioned yesterday. It is the condition of the Federal Treasury and the necessity for the levying of heavy taxes in order to make both ends meet, speaking in a governmental sense. We ought to be more careful now than under ordinary circumstances. It is only good business that we should.

Complaint was made when I called attention to the Ohio River, in connection with which the report shows that if we do not appropriate this large sum the engineers will not be able to begin three dams which are necessary before work on that stream can be completed. I would be glad if those improvements could be completed to-morrow. I would be glad if we could carry enough money in the bill to complete them next year or permit them to go as far toward completion as possible, but the question arises, under the financial condition of the country and the people, Can we afford to do it? Would it not be better to postpone the construction of those three dams? There would be no loss to the taxpayers because of their postponement. If we cut down the appropriation so the engineers could not go on with the work on the dams which are partially completed, then good business judgment would dictate that perhaps we ought to strain ourselves in order to keep that work going so that there would not be a loss, but where something has not been begun we ought to take the condition of the country and the Treasury into very serious consideration.

I frankly admit that if we reduce the appropriation it will postpone for another year at least the completion of some of the projects—for instance, the work on the Ohio River—but it would not result in navigation on that river being blocked. Senators yesterday referred to the immense volume of traffic now passing along that river. There will be more when the plan laid out for the entire stream is completed, and I will be glad when that is completed. But we can not do it all at once. It has been the argument of Senators—and in one sense it is a good argument—that the quicker we can complete these works the better; and if we had unlimited funds we ought to go on with them.

There is another reason why there should be a postponement. In all probability this work can be done cheaper in a few years than it can be done now. That is another consideration for the taxpayer. Unless we have it started and in such a condition that it would be injurious not to continue the work, where we would be apt to lose some if not all the money already expended on an improvement, then, it seems to me, we ought to hesitate.

We have gone way beyond the estimates. In this bill we have practically doubled the estimates made under the Budget law. Yesterday a question was raised about an item for an improvement down at Galveston, Tex., and the Senator from Missouri [Mr. SPENCER] was laboring under the impression that if we did not give the entire amount they could not do anything with that. He thought it was a new project. As a matter of fact, the testimony of General Taylor shows that if we cut the appropriation down to what the Budget estimated that work will be completed.

Mr. SPENCER. Is the Senator referring to Galveston?

Mr. NORRIS. Yes.

Mr. SPENCER. May I say to the Senator that neither Galveston, or Coos Bay, or the improvement at Milwaukee, to which I particularly referred, can be touched if the appropriation is cut down to the Budget figure, except by the elimination of projects which have already been begun and whose maintenance is essential. It may be that Galveston will be of such tremendous importance—the extension of the improvement there is included among the 35 new projects adopted by Congress in 1921—that the engineers may include the improvement at Galveston out of any fund they get, because of its importance; but if they do, it can only be at the expense of cutting out some established project, because the \$27,000,000 is only enough for the existing harbors.

Mr. NORRIS. I presume that is true, and that we can not cut down the amount proposed to be appropriated without cutting out some of these projects. If we cut down the amount, something will have to be dropped out. Is it not fair to presume that the most unworthy projects will be dropped out if we put it up to those who have charge of the matter, our engineers, our scientific men, and say they can have only so much money, and that they will have to curtail some of these things? Is it not fair to presume that they will cut out the most unworthy ones and will use whatever amount may be given in carrying on those which are most worthy? It is true that we can not cut the amount down without cutting out some of the improvements.

Something was said yesterday and the day before about the effect of these improvements upon railways. I think there is a great deal in that. During the war we built some very fine barges as a war proposition, because of the congestion of freight traffic on the railroads. I do not know how many there were, but we built quite a large number to be used on the Mississippi River. When the war was over some of them were put on other streams. We built barges without any engines in them, barges which had to be towed by other boats. We also built quite large river steamers which carried their own power. We paid the war cost for them. We built them at the peak of prices, but we built good ships. As far as I know, no man has ever denied that they were up to date in every respect. We got the best there was to be built. Now, when the war is over, when we could duplicate those barges and those ships for 50 cents on the dollar compared with what they cost during the war, if a business man were operating them he would charge off half of the cost, or whatever amount of it might be necessary to bring them down to present prices, and he would compute his overhead charges on that basis. It seems that the Government has not done that. These barges and these ships are being operated. As a whole, they have made a profit. Even with their fictitious value, they have been doing a great work. They are operated by the Government. Contrary to the statements of those who are always opposed, honestly and conscientiously, to the Government operating anything, Government operation in this case has been a success. It has been the means in a great many instances of cutting down the freight charges where they compete with the private owners. I understand that one tug can start at St. Louis with six or eight barges and take several trainloads of freight at once down to New Orleans.

They are equipped for unloading from the train onto the barges. One of the handicaps now existing is that even with the barges built during the war we do not have enough to take care of that traffic, to meet the railroads which center at St. Louis and bring in from all over the West and Middle West various kinds of agricultural products. I am glad to say we are utilizing the barges and ships for that purpose. I would like to extend operations and business of that kind. I would like to have it go further and on other rivers. If it is successful there and cuts down freight rates and thus reduces the cost of living to the consumer, on the one hand, and gives additional profits to the producer, on the other hand, it is a good thing, because we all know that our freight rates are too high. Our civilization can not live under them and prosper; we can not stand it.

I think I mentioned a few days ago, while the debate was progressing, that several of the boats built by the Government are on the Warrior River in Alabama. They go down the Warrior River and carry freight clear to New Orleans. When they were put on that river the freight rates on various kinds of commodities within 50 or 60 or 100 miles of the river to New Orleans and adjacent points were cut down, automatically put down to begin with, and those barges have not had a square deal with the railroads. I have heard Senators here discussing who was to blame for it. If they had had a square division of profit, even with that fictitious capitalization, the boats would have

made money for the Government. Taken as a whole, they made money anyway, but in many instances they have lost money. They have been capitalized at double what they should have been capitalized for. Where they had to divide the freight rate on any article between the railroads and themselves they have gotten practically nothing and the railroads nearly all of it, although in most instances the haul made by the boat was three or four times longer than the haul made by the railroads.

Now, Mr. President, one reason why there is objection to river and harbor legislation—one reason in addition to the one I mentioned a while ago that gave to this kind of legislation the reputation of being a logrolling or pork-barrel institution—is that the railroads have put water transportation out of business. The taxpayers put up the money and dig out the stream and make it navigable. The railroads put down the rates in competition with the boats which are put on the stream until they get the boats out of business, and then the rates go up. I believe, therefore, that we will not be able to get results for the money that we spend in the development of our rivers and harbors until some action in that direction is taken. It may be that the Interstate Commerce Commission have authority to take it, but whether they have or whether they have not, they have not taken any action.

I believe we will not get results until Congress takes some action in regard to the differential in rates between the river boats and the railroads. We ought to provide some law, even an arbitrary one, if we can not get the Interstate Commerce Commission to act, by which the practice of putting the transportation business off the rivers would be prohibited. We can not fairly ask the taxpayers of the United States to develop the Mississippi River, for instance, or ask the Government or business men to build boats to ply up and down that stream, if it is known that whenever they go on there they are going to meet unfair competition and are going to be put out of business, and then the people will have to pay all the expense back to those who put them out of business.

There must be some plan of fair division of rates where there is a division. There should be some law that would prohibit rail transportation companies from lowering a rate below a compensatory basis in order to put the water carriers out of business. Otherwise what is the use of spending the people's money to make the improvements in the streams? We might develop every harbor, every stream, every river in the United States, but unless we right that condition we would not get the worth of the taxpayers' money that would be expended.

I want to be regarded by the friends even of this appropriation proposition as one who is willing to go even to the extent often of experiment in order that we may bring about a reduction of freight rates. Even though I had doubts, if we were in normal condition I would be in favor of expending money to see whether by its expenditure we could not reduce the cost of transportation. That must be done, and personally I believe it can be done.

Mr. President, there are several other Senators who want to talk on the pending proposition. I am loath to use any more time because of the limitation on debate. I think, although there are several other things to which I should like to call attention, that in order to be fair to my colleagues I had better close at this point. I therefore yield the floor.

Mr. WADSWORTH. Mr. President, I renew the request for a unanimous-consent agreement, which I submitted a short while ago. I may say that I think I have now discussed the matter with all the Senators who are interested.

The PRESIDING OFFICER (Mr. LADD in the chair). The request for unanimous consent submitted by the Senator from New York will be read.

The ASSISTANT SECRETARY. The Senator from New York asks for the following unanimous-consent agreement:

It is agreed by unanimous consent that from and after the hour of 2 o'clock p. m. on the calendar day of Friday, February 9, 1923, no Senator shall speak more than once nor longer than 10 minutes upon the bill H. R. 18793, "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes"; nor more than once nor longer than 10 minutes upon any amendment thereto that may then be pending, or any amendment that may thereafter be offered thereto, or on any motion made relative to the bill or amendments.

The PRESIDING OFFICER. Is there objection to entering into the unanimous-consent agreement as read?

Mr. FLETCHER. Mr. President, I make no objection to the request for unanimous consent; I think it is quite reasonable; but I desire to inquire whether it is the purpose that at the close of its business to-day the Senate shall take a recess until 12 o'clock to-morrow? I think we ought to do that if we enter into the unanimous-consent agreement.

Mr. WADSWORTH. So far as I may do so, I am willing to agree that the Senate shall take a recess until 12 o'clock to-morrow if we may get this unanimous-consent agreement.

Mr. FLETCHER. With that understanding, I have no objection to the proposed unanimous-consent agreement.

Mr. McKELLAR. There will be no trouble about the Senate recessing until 12 o'clock to-morrow, I am sure.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement submitted by the Senator? The Chair hears none, and it is entered into.

Mr. CARAWAY. Mr. President, I regret that the Senator from Nebraska [Mr. NORRIS] and the Senator from Arizona [Mr. ASHURST], who have so bitterly assailed the item in the pending bill relative to river and harbor improvements, should have been called out of the Senate as soon as they had concluded their remarks. I wish briefly to discuss statements made by those Senators.

The Senator from Nebraska was very much concerned because, as he stated, the rivers and harbors bill was falling into disrepute, and he appealed to friends of river and harbor improvement to take some action to restore such improvements in the confidence of the people. I wish to say, Mr. President, that if legislation for the improvement of rivers and harbors is falling into disrepute, it is because of statements assailing the advisability, the propriety, and even the honesty of making such appropriations, which are made by Senators who live in sections of the country where there are no rivers to be improved and where there are no harbors. They assail river and harbor improvements each year and then imagine, because the newspapers published in their localities reflect their opinions, that the improvement of rivers and harbors as a governmental policy has fallen into disfavor.

I do not question the patriotism and the desire to be of service to the whole country of the two Senators, but what is remarkable to me is that every improvement that is to be made in their particular sections of the country, including the reclamation of the desert, the building of roads through national parks, the setting aside of great areas to be maintained at public expense as national playgrounds, is always a justifiable and a wise expenditure of public money.

The Senator from Arizona yesterday waxed fervid in his criticism of the river and harbor item of this bill and those who support it. He said:

This river and harbor provision of this bill was prepared to pass. This Congress is officially in extremis and it can do no more fitting thing as a capstone to its discreditable record than to reach its hands into the Treasury and squander \$28,964,150 of the money of already heavily burdened taxpayers. One discreditable feature of this item is that this unnecessary expenditure is included in the military appropriation bill.

The President of the United States, I believe, would veto this item if he could separate this excess above the Budget recommendations and approve as to the amount actually needed. The Budget officials know how much money is necessary, and they have estimated for that amount, to wit, \$27,625,170.

The Senator from Idaho [Mr. BORAH] is wasting his time in opposing this measure. This bill is loaded to pass. The "skids are greased" so that this item will easily slide through. Not 20 votes can be mustered against it under any circumstances. I desire to vote for the Army appropriation bill, but I fear that to do so I must vote for an excess expenditure of nearly \$29,000,000. The Budget cracks and collapses when the pork barrel rolls over it.

Passing over, Mr. President, the inference, which really amounts to more than an inference, that all those who expect to vote for this appropriation are "pork-barrel" statesmen; that they are actuated by motives that would not bear investigation; that they are looters of the Public Treasury; that it is an unpatriotic thing to do—I say passing all that, I wish to call attention to the fact that no one on this floor has been more insistent than has the Senator from Arizona in getting appropriations for his own particular section of the country. There great reclamation projects have been built, when it has cost so much to reclaim the lands that the people who went upon them have never yet paid a penny they contracted to pay for the land; they have not paid for the water they have used; they have not even paid the interest. Ever since I have been in Congress for 10 years we have passed bills to extend the time when they should comply with the various provisions of their contract.

We have during the present Congress at different times voted appropriations to give seed wheat to these people. It was called a loan, but we made such a loan to them year before last and last year the crop was worse each year than it was last. So we wiped that off and extended them another loan, which all of us know is not a loan but a gift. That money comes out of all the people of these United States; and yet the Senator from Arizona and the Senator from Nebraska have no complaint against that policy, but I will not say because the money is to

be expended in the particular sections of the country which they represent. That is honest statesmanship, but it would be "pork barrel" if any other section of the country gets a penny.

I know how the Senator from Arizona stood here day in and day out and accused other Senators of lacking vision because they would not give him a duty of 35 cents a pound on cotton that grew in Arizona and in a little valley in California whenever a dollar given to the producers of that cotton in Arizona and California had to come out of the pockets of the poor people of this country who wear cotton clothes. But that was wise, because it would be spent in Arizona; it was something that ought to be done.

I regret that the Senator from Arizona is not here. I called his attention to the fact that I wanted to discuss his speech. Of course, he has a right to go away; I presume it will not interest him; but I do not want anyone to imagine that I am criticizing his attitude in his absence without his knowledge. It would seem that Budget recommendations have nothing to do with legislation that is to bring money to that particular section of the country but are sacred things if they are to prevent the expenditure of public moneys in some other section.

The Senator from Arizona in effect said, "I want to vote for the Army bill; I want to spend \$250,000,000 to build a machine to destroy life; but I am against spending \$29,000,000 as an absolute waste of public funds if it will help to increase the wealth of the people of this country by spending it upon river and harbor improvements."

That is good local statesmanship, Mr. President; but if that policy were to be pursued, we people who tried to go out of the Union in 1861 were respecters of the Union as compared with those who want to nullify the Government's activities except where those activities shall be used for their particular locality and their benefit. We never did go that far. There were at least 11 States of us who agreed to stand together, but this attitude would mean that each State shall fight every other State for every dollar of the public funds and for every activity of the Government.

I have been tolerant of the opinions of people who do not agree with me. I have voted for appropriations when I realized that I did not know the wisdom of them, but I was willing to take the word of Senators who were more familiar with the matter. I have voted to extend the interest payments on all the reclamation projects. I have voted for these projects whenever they have been presented to me. I voted for every one of the measures to give free seeds to the people in the West. I voted for \$20,000,000 to buy corn to ship to Russia, and yet I knew that largely it was to relieve the necessities of the corn growers of the North and West. I did not object to it. I hope to God I shall be able always to remember that there are 48 States in these United States, and that each one of them has as much right as the particular section that I represent. I hope I never shall forget that it is no part of the duty of a Senator to fight everybody else for every dollar there is in the Public Treasury, that it may be spent in his own particular locality.

However, I am willing to say that if that is to be the policy, if the Senators who represent these arid areas are to demand everything for their section and fight everybody from every other section, if that is to be the policy of the Senate, it is as well that the rest of the country shall know it. Nobody said, when these matters were up for the arid sections, that they were grabbers or pork-barrel people. Nobody accused them of "greasing the skids" that they might get a measure favored by them through the Senate, or get something to which they were not entitled. I never have heard that charge made in either branch since I have been a Member of Congress. It is left for the Senators from that section to talk about the pork barrel when it comes to river and harbor measures.

It would be so much better if we could have just a little vision—if the two Senators from Utah, who fight this measure so viciously, had the vision of the founders of Utah and could look a little into the future. All of us know that when unfortunately a mob killed the leader of the Mormon church in Illinois, and these people started west, and went west and west and west to beyond the mountains, there was not anything there then. There was no traffic there. There was no commerce there; there were no farms there; but they had vision, and they founded a great State, and increased the national wealth of the entire United States, and builded a wonderful civilization.

There was not any commerce when the Pilgrim fathers, beaten by the storms, were tossed upon Plymouth Rock one winter day in 1620. There was not any commerce on the James River when the people came there in 1607 and made the

beginning of European civilization in America; but the people had vision, and they looked forward to a future.

When Thomas Jefferson for \$15,000,000 bought all the Louisiana Purchase from France people opposed it, and Senators in this body opposed it. They said it was worthless; and yet if Thomas Jefferson had not had vision, and had not expended that money, all of the States that are now the homes of these people who now fight the rivers and harbors appropriation would not have been. That part of the country would have remained a desert, inhabited by coyotes and Indians and buffaloes, as it then was.

If there had not been vision, we would not have bought Alaska. The administration was ridiculed for buying that frozen strip, and yet in one year it paid back five times as much as it cost the Government. It took some vision when the Thirteen Colonies stretching along the Atlantic coast were willing to reach out and develop a wilderness. The State of Virginia, for instance, gave up an empire to which she had as good a title as had she to any foot of land that now is within that great Commonwealth. She gave it up for the public good; and yet, if her Senators stand here on the floor and ask for an appropriation to take care of her rivers and harbors they are denounced as "pork-barrel" statesmen by these people who profited and never paid.

There ought to be some limit to such extravagant statements. I am in favor of river and harbor improvements; and yet, when we try to take care of our situation, the Congress, wise or otherwise, said: "For every two dollars the Government shall put up, you must put up one"; and we went into our pockets and taxed ourselves when our country was a swamp, and we are paying taxes to-day, and our children's children after us will keep paying taxes, to meet our part of it.

I am not complaining about it. I do not think it was the same attitude that had been adopted toward other sections, but we took whatever the Congress gave us. We did not denounce it. We do not denounce it now. We do not say that people who got better treatment were pork-barrel beneficiaries, or that they "greased the skids" in order that legislation might pass. I have never thought it. I have been willing to concede that Senators vote for a measure or against a measure because, in their judgment, it is wise. I can say that I have not discussed with a single Senator in this body whether "if we will support this proposition, you will support that." It never has been discussed, so far as I know, by anybody who is in favor of this appropriation.

The Senator from Nebraska [Mr. NORRIS] has picked out some particular projects—talked with great fervor about the waste of money. I should like to call his attention to the fact that the so-called minor rivers receive in this appropriation \$181,820, and no more, for improvement; and yet these streams that he denounced carried upon their half-improved bosoms last year a total freight of 4,798,709 tons. If freight were moved at a dollar a ton cheaper by water than by rail, there would be practically \$5,000,000 paid back to the people of this country for an expenditure of \$181,820, but the record that I produced yesterday, which came from the Interstate Commerce Commission, shows that the saving to the people where they may have water rates and for that section of the country where river improvement has made water transportation possible is twice as much as a dollar a ton, or, in other words, the country is richer by \$10,000,000 for the expenditure of \$181,820; and yet, because people advocated the expenditure of this money to save this tremendous burden, they are called "pork-barrel statesmen," and it is said that the "skids have been greased" to pass this "iniquitous measure."

Oh, Mr. President, it is so easy to fall out with people and denounce them without analyzing the motives that actuated them. I say that the great cry of this country is for transportation—reasonable transportation—transportation that will let the city live as well as the farmer live, because whoever imagines that because we cheapen the production of farm products or cheapen the transportation of them to the markets all that benefit inures to the farmer has not studied economics. People in the country produce. If they ever are to have the cost of production, we must take into consideration the cost of transporting their production to market. The people in the city must live, and they can not live unless they buy those things that the farmer produces. Therefore, if there is a single appropriation that reaches every man, woman, and child that breathes it is something that cheapens the cost of living, because all must eat and all must wear, and every bite of food they eat and every yard of cloth they wear must be produced in the country. It is not produced on Broadway, nor is it produced on the old historic Commons in Boston. It is produced on somebody's farm; and now, with some chance to develop

waterway transportation so that we may demonstrate that the rivers can be used, we are called "pork-barrel statesmen."

Mr. President, here is the truth: Knowing how much cheaper river transportation could be than rail transportation, when we provided for the operation of the Government barges we wrote into the law that they should not reduce their freights more than 20 per cent below those that the commission might approve for rail-competing transportation. If it were not for that, Mr. President, we could to-day haul the freight on the rivers of this country for 50 per cent of the rail charges.

In order to keep the barge lines from cutting below that, we wrote into the law that they must charge 80 per cent of the rail rates. The lower Mississippi last year carried 10,000,000 tons of freight. It could have carried much more if some little stretches in the river were improved. From Cairo to St. Louis there are times in the year when the channel can not be used, not because there is not plenty of water, but because it is scattered over such a wide channel. With a very nominal improvement it would be possible to reach the Gulf with practically half the wheat and corn that is grown in the great upper Valley of the Mississippi River between the Rockies and the Allegheny Mountains at an enormous saving; and yet, because that is suggested, somebody from an arid State says we have "greased the skids," and how happy they would be to vote against the measure if it were just put out on its merits; and what is funny, Mr. President, is that both of these gentlemen who so denounce that matter were for the rule under which we tied our hands. I voted against it. I wanted to get a chance to present the matters on their merits, but other Senators who did not agree with us tied their hands and ours, and now complain as if we were responsible for a condition for which they themselves solely are to blame.

I heard the rather remarkable statement made here yesterday that it might be profitable to transport freight by river short distances but not long distances. Everybody knows that the advantage comes more when the distance is great. Loading a barge with coal or iron or structural steel at Pittsburgh and sending it to New Orleans, over 3,000 miles as the rivers run, it can be carried for practically nothing. It can be carried 3,000 miles almost as cheaply as it can be carried 300, because the cost is in the loading and unloading.

Mr. STANLEY. Mr. President—

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Arkansas yield to the Senator from Kentucky?

Mr. CARAWAY. I yield.

Mr. STANLEY. I take this occasion to add that freight can not only be carried more cheaply from Pittsburgh to New Orleans by water, but it can be carried with greater celerity. A steamboat plying that river makes comparatively few stops, and will make 15 miles an hour. It will run 24 hours in the day, with the exception of the time it stops at a few stations to unload. A freight train travels less than 30 miles a day.

If a contractor in New Orleans is putting up a steel building, and has a steamboat loaded with structural and standardized shapes, and has need, before his boat gets there, of these articles, he knows exactly where his steamboat is; he knows just where it will land, and he can go to dealers and without hesitation take their entire supply of that same commodity, with the understanding that he will replace it, where they do not want to sell out their stocks entirely.

There is no reason in the world why semifinished products and heavy freight should be transported by rail instead of by water, except under such conditions as we find on the Ohio and the Mississippi Rivers, especially the Ohio, where you can not always count on river transportation because the stream is not canalized. In addition to that, wherever merchants doing a heavy freight business patronize the river, they are discriminated against by the railroads. There has been a system of blackmail exercised by the carriers against the users of river transportation which ought to be investigated in this country; and I am not railing against the railroads, either.

Mr. CARAWAY. Another thing, Mr. President. We know the difficulty of moving freight at all by rail. If the higher class freights only were moved by rail, it could bear the higher commodity prices, but when the tremendous rates which are now in force are applied to all classes of freight, industry all over this country is paralyzed.

As an illustration of the difference between water transportation and rail transportation, I had occasion at one time to buy screen doors and windows in Maine. They came to Savannah by sea and then crossed from Savannah to Memphis, Tenn. I live 60 miles from Memphis, and my freight bill for the

last 60 miles was more than the bill for the first 4,000 miles because of the difference between the rail rates and the water rates.

It does not avail much, however, to argue about these matters. If the rule is to be laid down in the Senate that if the improvement to be made is not in my immediate vicinity it is a waste of public revenue, it is not worth while to argue about this matter, because then the question becomes one of geography only, and all one has to do is take down his map and see how far he is from a river. According to that theory a Senator is guilty of an offense if he votes for such appropriation if the improvement is beyond a certain milepost. The appropriation is always wise or otherwise as it may be near or remote. I say that if that rule is to be adopted arguments might as well cease. It is but a question of geography, depending on whether more people live remote from the improvement than near it. It is not a question of general benefit. I hope, however, that rule is not to prevail.

There is now a motion pending to reduce the appropriation to what it was last year. Some Senators have the impression that this \$13,000,000, if added, is to be distributed among the projects which were taken care of with the \$43,000,000 appropriation last year. That is not true. The new appropriations are for new projects which the Senate authorized last September. That appropriation was to take care of projects contained in a bill which was approved the 7th day of last September. Therefore, if we cut off that \$13,000,000, we will cut it off from projects to take care of which we appropriated \$43,000,000 last year. Many of them are projects which are already carrying tremendous freight tonnages, one of them to cost \$600,000, for the improvement of a ship channel, which last year lacked just a few tons of carrying 9,000,000 tons of freight. It is desired that that be cut off. Senators want to cut off all those projects which do not show tremendous freight-carrying capacity and use. If the policy of never providing means to transport freight until freight was being hauled over the route had been pursued, the pioneers would never have built a railroad. They built railroads into the trackless desert, into the wildernesses, and civilization and commerce followed them. It seems to me to be so unreasonable to say that we will never make provision for carrying freight until freight is being carried. The other rule should prevail; first improve the freight-carrying arteries and then expect commerce to follow the improved highway, and not that it shall precede the improvement.

THE FERTILIZER PROBLEM AND THE FARMER. MUSCLE SHOALS AND NITROGEN FIXATION.

Mr. LADD. Mr. President, since the question of an appropriation for the future development of Muscle Shoals, for the construction of a dam, and for other purposes is involved in the present Army appropriation bill, I feel that the present is an opportune time to discuss some phases of this highly important subject, which is attracting not only the attention of the American people but has come to be a matter of concern before the legislatures of several sovereign States, and must in all fairness be disposed of in the near future.

Failure to have permanently settled this perplexing political question, which should have been only the economic question of national protection and in time of peace an adequate supply of fertilizers for the farmers of America, has been an unfortunate affair. The delay is depriving agriculture of an essential supply at reasonable prices of the nitrogen fertilizer that is so necessary to economical food production and for soil enrichment and is costing the people untold amounts.

Can we afford to continue the present "watchful-waiting" policy or should we act in accordance with some definite national policy which may have been developed during the past five years in study and research in this great and important field for our national defense and for the purpose of insuring cheap fertilizers to our farmers in times of peace? Thus far only one definite, practical policy has been worked out, and of this I expect to speak more fully at a later time.

Mr. President, the Senator from Nebraska has indicated his intention to propose an amendment to the Army appropriation bill which would call for appropriating \$2,000,000 to carry out certain experimental operations at nitrate plant No. 1, at Muscle Shoals, Ala. I am entirely in sympathy with the Senator's evident desire to see the nitrate problem solved, but, Mr. President, my studies of this subject convince me that this is not a move in the right direction.

It is not my purpose in addressing the Senate to make a speech, Mr. President, but merely as a chemist to make a plain statement of the facts in the case, for the facts are a matter of record and anyone interested can confirm them for himself.

SIGNIFICANT ATTITUDE OF AMERICAN CAPITAL.

Before discussing the technical questions involved I would like to point out this undeniable fact: The supremacy of the American people in business matters has been established beyond question. American capital and American enterprise is constantly seeking opportunity. If the development of Muscle Shoals constitutes a great opportunity to secure financial rewards running into the hundreds and thousands of millions of dollars, as has been represented by the opposition, it is inconceivable to me that these great financial interests, amply supplied with capital, able to buy the best brains which the most advanced country on earth has produced, should decline to come forward with a proposal for this enterprise.

EFFORTS OF DOCTOR GLASGOW.

The Senate will recall that the former nitrate director, Dr. A. G. Glasgow, earnestly sought to interest private capital in the operation of the nitrate plants, offering them the plants rent free until they should earn 9 per cent on whatever investment was necessary for their operation, and thereafter dividing additional profits evenly with the Government.

His associate, Mr. G. J. Roberts, described Mr. Glasgow's efforts before the Senate Committee on Agriculture and Forestry (hearings on S. 3390, pp. 84-85, on March 22, 1920) in the following language:

The question naturally arises, Why does not private industry undertake the operation of these plants? I shall not attempt to give what is in the minds of those who are most interested in the production of nitrates in this country. All I can state is that months of time were expended attempting to get the fertilizer industry interested in taking over and operating the Government plants. The presidents of all the large fertilizer companies in the United States were seen and the matter fully discussed with them, and they were asked if they would undertake the operation of these plants if they were to pay no rental to the Government until they had received 9 per cent on their working capital, and after that the profit should be divided between them and the Government. A part of the agreement was that the United States would complete the plants so as to provide storage and bagging facilities, a sulphate of ammonia plant, and all the work outlined in Mr. Glasgow's letter of October 22. But they could not be brought to the point of making a formal offer. An effort was also made to get certain financiers in New York to undertake to form a company to operate these plants. Scant consideration was given to the scheme and no investigation undertaken. An appeal was likewise made to the coke-oven interest, with the same result. There seems to be a decided antipathy of capital to engage in any partnership arrangement with the Government.

The very fact that no proposals have been forthcoming is in itself conclusive evidence to my mind as to what American business thinks about these plants. They very well know that Muscle Shoals is not an opportunity to collect great profits with an insignificant investment, but it is an opportunity to invest great sums of money in a partially developed art, promising enough, perhaps, in its future possibilities, but requiring the investment of millions upon millions of dollars, with no assurance whatever that this investment will earn any return of interest or principal.

It is true that these properties cost \$87,000,000, built, as they were, in a time of war, when the United States was getting perhaps 30 cents' worth of labor and material for every dollar it invested. It is only to be expected that the total cost of these great plants was an amazing sum of money; but the mere fact that this is true does not argue that these plants have any such value at the present time or that Mr. Ford under the circumstances should have offered more for them than he did.

NITROGEN FIXATION A RAPIDLY DEVELOPING ART.

Mr. President, the fixation of nitrogen is in its merest infancy. It is an art which in commercial form has sprung up within the last 15 years, and no one can study the progress of commercial chemistry without being impressed with the fact that the first years of any industrial process are years of change and of rapid obsolescence on the part of any existing scheme of operation.

HISTORY OF NITRATE PLANT NO. 1.

Nitrate plant No. 1 was not modeled after any commercial plant; there was no commercial plant in operation which was available to the War Department as a guide in designing this plant. The facts are that on March 9, 1917, the Secretary of War appointed the so-called nitrate supply committee, and this committee adopted the recommendations of Dr. Charles L. Parsons, who at that time was chief chemist of the Bureau of Mines. Doctor Parsons submitted a report on April 30, 1917, in which he called attention to a process developed by the General Chemical Co. to produce ammonia by direct combination of nitrogen and hydrogen at somewhat lower pressures than those which previously had been considered necessary under the patents of this process which had been granted to a Dr. Fritz Haber in Germany.

The General Chemical Co. did not have all the secrets of the German Haber process, but they had been carrying on some

experiments on something more than a laboratory scale, and Doctor Parsons, after visiting their experimental plant and studying their plans for a modification of this German Haber process which the company was expecting to build at Shady-side, N. Y., advocated very strongly the acceptance of a tentative proposal which, it appears, the General Chemical Co. had made on their own account, granting to the Government of the United States the use of its process and designs or apparatus for the manufacture of ammonia by this method, and asking a royalty of \$5 per ton of fixed nitrogen if the process should be used for the manufacture of fertilizer products.

NITRATE DIVISION HAD LITTLE TIME TO INVESTIGATE PROCESS.

The nitrate supply committee seems to have accepted fully Doctor Parsons' recommendations, and in turn recommended them to the President. Thereupon, on July 21, 1917, a separate division of the Ordnance Department, known as the Nitrate Division, was formed. This division, which was created to have charge of nitrogen fixation problems, had as its first duty the execution of the recommendations of the nitrate supply committee. By way of explanation, the official report of the Nitrate Division states that—

plans for the location and construction of the synthetic ammonia plant naturally absorbed the energies of the new division for the first few weeks and left little time for investigating the process. This, however, had already been favorably reported upon by the nitrate supply committee, and orders for the construction of the plant were mandatory, so that every effort was bent toward carrying out the program, with the assumption that expectations with regard to the processes would be fulfilled.

A THIRTEEN-MILLION-DOLLAR ASSUMPTION.

It is therefore evident that nitrate plant No. 1, costing more than \$13,000,000, was built upon an assumption. Instead of waiting until the process had been demonstrated upon a commercial scale in a pilot plant of some kind, the Nitrate Division proceeded to build a plant with an estimated capacity of 22,000 tons of ammonium nitrate per annum, and constructed the special equipment, housed in special buildings in an entirely permanent way, as though they were dealing with a well-established and unquestioned matter of industrial chemistry, the performance of which was a matter of mere routine. They laid out and constructed this permanent plant, with permanent houses for employees, all based on the assumption that the process would work.

THE FIXATION PROCESS WAS NOT A SUCCESS.

Unfortunately, Mr. President, the process did not work. Testifying before the House Committee on Military Affairs, Maj. J. H. Burns, former chief of the Nitrate Division, stated on February 13, 1922:

The plant was not only to fix nitrogen and form ammonia but also to change the fixed nitrogen or ammonia into nitric acid, and finally to form ammonium nitrate or the explosive. * * * The fixation process, however, was not a success. (Hearings, p. 208.)

And on May 19, 1922, Major Burns testified before the Senate Committee on Agriculture:

If you put in the Haber electrolytic process at No. 1, you would have to scrap everything you have at No. 1. Nothing there would be of any great value. I imagine putting in a 30-ton unit would cost in the neighborhood of \$4,000,000 or \$5,000,000. (Hearings, p. 694.)

The efficient report of the Nitrate Division on the Fixation and Utilization of Atmospheric Nitrogen explains (p. 202) that the Sheffield plant was not a success, and that this was partly due to insufficient technical information in connection with the various physical-chemical steps which go to make up the process. The report describes the difficulties which were experienced (p. 272); changes were found necessary at every stage of the attempted operations.

"FIXING" ATMOSPHERIC NITROGEN TO FORM AMMONIA.

Ammonia, it should be understood, is formed by the welding together of hydrogen and nitrogen in gaseous form. Under this process this is accomplished at very high pressure, about 1,450 pounds per square inch, or about seven times the pressure of an ordinary steam boiler, and a very high temperature. Moreover, the gases must be very pure. Pure nitrogen is not a difficult thing to secure, as this can be had by liquefying air by well-known processes and distilling off the nitrogen from the liquid product.

To secure hydrogen two general methods have been employed. One is to secure it by passing steam over incandescent coke. This forms what is known as water gas, which contains a large proportion of hydrogen. This water gas is then brought in contact with steam in the presence of what is known as a catalyst. A catalyst is a peculiar substance which although it does not enter into a chemical reaction will cause that reaction to take place merely by its presence.

When this water gas and steam are brought together in the presence of this catalyst, which in this case is iron oxide con-

taining cerium oxide and chromium oxide, the steam is broken down and free hydrogen is released. After the removal of the excess steam a resulting product has been obtained running as high as 98 per cent pure hydrogen.

THE IMPORTANCE OF PURE HYDROGEN.

Another curious feature, however, is the fact that certain impurities which are present in water gas have a poisoning or destructive effect upon the action of the catalyst, so that it is necessary to remove these impurities as completely as possible.

The net result is that in the Haber-Bosche process, which was the process employed at Sheffield and in which the hydrogen was secured from water gas, about 20 per cent of the total cost of the process is for the production of the water gas and about 50 per cent of the cost is for the purification of this gas, so that about 70 per cent of the cost of the ammonia represents nothing but the cost of securing pure hydrogen (p. 246).

It is very evident, then, that the Haber process is an economical process if a supply of by-product hydrogen at low cost or at no cost at all is available, and the information which I get from most excellent authority is that the reason the German plants using this process have been able to supply cheap fertilizers to the farmer is that they have been operated in connection with a supply of hydrogen obtained in large quantities as a by-product in the manufacture of caustic soda. This has also been pointed out as a reason for the establishment of the modified Haber process on a small scale at the soda plant of the Solvay Process Co., at Syracuse, N. Y.

Needless to say, there are no caustic-soda plants at Muscle Shoals and no supply of by-product hydrogen. There is, however, another plan that might be utilized for producing pure hydrogen. This has never been worked out on the large scale that would be required at Muscle Shoals, but in view of the investigations that have been made it seems probable that this method might be used successfully.

ELECTROLYTIC HYDROGEN.

This is simply the decomposition of pure water by electrolysis in an electrolytic cell and utilizing secondary or off-peak electrical power for the purpose. The hydrogen obtained by such a method would be very pure and there would be produced at the same time an enormous supply of by-product oxygen, which is of great value in securing high temperatures for metallurgical purposes, for destroying bacteria, for medicinal purposes, and for use in the oxyacetylene torch or blowpipe for cutting steel.

There is also a possibility of producing cheaply such a product as sodium peroxide, which would serve as a convenient means of distributing oxygen gas without the use of the heavy steel cylinders in which the liquified gas is now shipped under heavy pressure.

Commenting on these possibilities, Prof. Hugh S. Taylor, of Princeton University, in a recent article in Chemical and Metallurgical Engineering, points out that the production of nitrogen and hydrogen for synthetic ammonia represents at least 75 per cent of the cost of its production, and he predicts the use of electrolytic hydrogen where very cheap power—that is, power which could be sold as low as 1 mill per kilowatt hour, and probably not to exceed 2½ mills per kilowatt hour—is available. In closing his paper, Professor Taylor states:

Initiation of electrolytic manufacture of hydrogen for ammonia synthesis will constitute a bold experiment. If successful, it will lead to industrial development far outside the range of ammonia synthesis alone, by reason of the simultaneous oxygen production, uses for which would inevitably be sought. (Chemical and Metallurgical Engineering, December 27, 1922.)

DEVELOPMENT OF NITROGEN FIXATION A "BOLD EXPERIMENT."

Mr. President, I want to say that I agree with Professor Taylor; the development of synthetic ammonia and the fixation of nitrogen at Muscle Shoals does constitute a bold experiment; and when we have an offer from a responsible party, who agrees to enter this field of costly experimentation and produce 40,000 tons of fixed nitrogen annually at his own expense, taking all of these risks in this partially developed technical operation, I say we should let him do it.

There is another feature of this Haber process at nitrate plant No. 1, which this Senate will do well to keep in mind. I have no desire to take the position of an alarmist or to magnify dangers that in reality are insignificant, but you will notice that in Mr. Ford's offer he has not agreed to use the Haber-Bosche process nor the Haber electrolytic process nor the cyanamide process nor any other particular process for the production of this large tonnage of nitrogen—nitrogen enough to supply this element in 2,000,000 tons of 2-8-2 commercial fer-

tilizer—and while I can not claim to be familiar in detail with Mr. Ford's plans, I do not believe that he contemplates using the Haber process. One reason for this, I feel sure, is to be found in the history of the development of this process itself.

HISTORY OF EXPLOSIONS IN THE HABER PLANTS.

The world has not forgotten the terrific explosion that occurred about 7.30 on the morning of September 22, 1921, at the Haber process plant of the Badische Anilin und Soda Fabrik at Oppau, in Germany. It has been claimed that this explosion was due to the blasting of a stored supply of a new nitrate fertilizer compound which was not believed to be explosive. The account of the explosion from the Philadelphia Ledger of September 22, 1921, is as follows:

[From the Philadelphia Ledger, September 22, 1921.]

MORE THAN 1,000 KILLED IN EXPLOSION ON RHINE; SUSPECT BOLSHEVISTS—GREAT CHEMICAL PLANT NEAR LUDWIGSHAFEN AND TOWN OF OPPAU DESTROYED—TELEPHONE WIRES CUT AT TIME OF CATASTROPHE—PASSENGERS IN FIELDS KILLED.

(Special cable dispatch. Copyright, 1921, by Public Ledger Co.)

BERLIN, September 21.—More than 1,000 lives were lost and property valued at 2,000,000,000 marks was destroyed in a few minutes this morning, when the famous Oppau ammonia works of the Badische Anilin-Fabrik Co., near Ludwigshafen, were wrecked by an explosion.

It is the worst catastrophe of the kind that has ever occurred in Germany, and there are well-founded suspicions that the Bolsheviks are responsible.

As far south as Heidelberg and farther north than Frankfort on the Main and up and down the broad Rhine Valley the tremendous shock following the explosion made people think an earthquake was taking place, and they ran from their houses, which showered glass splinters from broken windows upon them.

The scene of the disaster itself was one impenetrable mass of black smoke, which rested immovable from 7.30 o'clock in the morning until late this afternoon upon the ruins and extended on all sides, crawling even across the Rhine and south to the sister works about a mile distant. The Badische anilin factory at Ludwigshafen itself, the greatest of its kind in the world, though it was not the scene of any explosion, suffered greatly from the shock.

POISON VAPOR HALTS RESCUERS.

The first explosion at Oppau, according to an engineer employed at the factory, was that of a gas compressor, and a few seconds later it was followed by another and even stronger one, and for a short time there was ceaseless thunder caused from many explosions following in quick succession among the masses of ammonia in progress of manufacture, causing thick clouds of poisonous vapor, which stuck close to the ruins and would not permit the rapidly arriving firemen and ambulances to approach near enough, though they could hear the stifled cries of choking victims.

Not only the Oppau factory but also the village of Oppau was completely destroyed by the blast. Many children, not having risen so early, were killed or more or less wounded in their beds. In Mannheim, Ludwigshafen, Frankenthal, and all of this thickly populated industrial district much damage was done, and many people miles away were hurt by flying debris.

Here, too, at first the people believed there had been an earthquake, and the streets were crowded with half-clothed persons, some carrying satchels, boxes, even loose garments and other articles in their hands and rushing toward the open country. And still the explosions continued and the vapor from across the Rhine crawled nearer and nearer.

HUNDREDS OF DEAD BODIES.

Meanwhile some of the laborers at the Oppau works, almost stifled by the poisonous gases, had managed to escape the vaporous net and told confused stories of hundreds of dead bodies counted in their flight.

Firemen from Mannheim, having secured gas masks, now made a brave attempt to enter the black sea of smoke, but they never got far, their masks not availing them against that cloudy poison. However, some 20 victims were saved by their efforts. When later they arrived in the factory hospitals they found them already overcrowded by the wounded and dying taken from the ruins of the villages and factories that had been collapsing from the shock.

Toward noon it was estimated that of 900 persons employed in the Oppau works, at least 700 must have been buried in the ruins, and there seemed to be no chance of saving them. The greenish fire now began to flicker and dance on top of the poisonous fog and mocked all efforts of firemen from Frankfort, Mannheim, Ludwigshafen, and Karlsruhe, who had meanwhile arrived and vainly directed hundreds of streams of water at the vicious elements.

The ambulances, though they could only work at the fringe of the scene of the catastrophe and ruins near by, soon had all the hospitals full in the neighboring towns and cities, and the railway authorities arranged for hospital trains to carry away the victims that might yet be saved to Darmstadt and Frankfort.

SUSPICION POINTS TO BOLSHEVISTS.

As there was danger of still further explosions, the police drove back the immense masses of people that had gathered around the scene of the disaster. The French troops of occupation stationed in Ludwigshafen refusing assistance in maintaining order or saving victims, as—so explained a French officer—they had been commanded to stand ready for an alarm at the barracks, suspicion having arisen that the explosion was the work of Bolsheviks, who might use the general confusion for revolutionary purposes. This rumor seemed to receive some confirmation from the fact that telephone and telegraph connections had been destroyed on many lines leading to or past Ludwigshafen in places where the shock could not have had any such effect.

Toward afternoon many dead and dying had been collected by daring firemen from the scene of the disaster, as a light wind had chased the vaporish mass from the Rhine. These victims, some awfully mutilated and all blackened by smoke, soon numbered several hundreds awaiting either ambulance or dead wagon; and whole families, made homeless and having lost everything by the catastrophe, camped beside the dead.

All peasants working in neighboring fields were killed by heavy iron girders weighing many tons being thrown about by the explosion like so many matches.

Three firemen succeeded in penetrating the center of the ruins, where they discovered a crater 315 feet in diameter and 100 feet deep caused by the original explosion. Here had been situated a basin containing 5,000 tons of a mixed mass of ammonia, sulphur, and saltpeter, which only a short while before the explosion had been carefully examined and—so the director of the Oppau works asserts—could not have exploded except without certain chemicals having been added by a criminal hand.

Later this afternoon, for the reason mentioned above, a French general appeared on the scene and French troops took over responsibility for maintaining order.

I would like to point out that in this cable dispatch, written at the time of the disaster, the following statement is made:

The first explosion at Oppau, according to an engineer employed at the factory, was that of a gas compressor, and a few seconds later it was followed by another and even stronger one, and for a short time there was ceaseless thunder caused from many explosions following in quick succession.

Whatever the cause may have been—and it will probably never be proved beyond a doubt just what did occur, for everyone in the neighborhood was killed, the loss of life amounting to some 1,500 people while 4,500 were injured—it has been pointed out by a former Army officer that this is not the first explosion which had occurred at that plant.

Mr. KING. Mr. President—

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. LADD. Certainly.

Mr. KING. If the Senator has not stated in his address and will not state it later, for information I would like to ask if the view of the Senator is that there were some defects in the process or whether it was the Haber process that was responsible for the explosion, or, in the plenitude of his experience and wisdom as a chemist, what was the cause of it, in his judgment?

Mr. LADD. I think the inherent cause is the impossibility of producing machinery, compresses, of sufficient strength to withstand the pressure of 1,450 pounds per square inch, which is seven times that of the average boiler, together with a very high temperature. Until the Germans had developed a special steel, which is very thick, as I will point out later, they were unable to use the process. I think that is one of the dangers and difficulties of the Haber process.

Mr. KING. Does the Senator think it was nitrogen alone which exploded, or nitrogen in combination with other gases?

Mr. LADD. It was not nitrogen, but hydrogen, probably in combination with other gases generated in the course of the process.

Mr. KING. It was not a solid?

Mr. LADD. It was not a solid, although a large amount of solids did explode. I have asked that photographs be passed around the Senate in order that Senators may appreciate the magnitude of the explosion at Oppau, where a mass of this fertilizer material exploded and made a crater in the ground 315 feet in diameter and 100 feet deep. That only came after the other explosion and was not in reality the cause, as it is believed now, of the real explosion.

Mr. KING. Was the fertilizer at the time ready for use in its perfected condition?

Mr. LADD. Whether it was in its perfected condition I can not say, but it was being blasted out to be used for fertilizer purposes. Whether it was intended to treat it further I have no knowledge.

THE GREAT EXPLOSION NOT THE FIRST ONE AT OPPAU.

I would ask unanimous consent to insert in the RECORD at this point an article which appeared in the New York Times of September 23, 1921, describing the experience of Maj. Theodore Sill, who visited the Haber plant in 1919 and was told that in September 1917, while the war was in progress, there was an explosion of one of the high-pressure gas containers or "bombs," as they were called, an explosion in which about 100 people lost their lives. The concussion from this explosion was said to have been so great as to be fatal to workmen crossing a bridge half a mile from the scene of the accident.

The VICE PRESIDENT. Without objection, it is so ordered. The article referred to is as follows:

[From the New York Times, Friday, September 23, 1921.]

GERMANS FEARED PROCESS—CALLED TANKS "BOMBS," ACCORDING TO AMERICAN WHO INSPECTED PLANT.

The explosion in the Oppau plant of the Badische Anilin Co. was not the first since the factories were completed. An account of others was given yesterday by Maj. Theodore W. Sill, of the Warner-Kilpstein Chemical Co., 52 Vanderbilt Avenue, who was a member of the Inter-Allied Mission appointed to study the German chemical industry.

Major Sill visited the plants of the Badische Co. in February and March, 1919. He said that the Germans in charge of the plant told of several explosions at Oppau in the war. One of the compression tanks blew up in September, 1917, causing a loss of about 100 lives.

So great was the danger of an explosion of any one of a dozen or more huge compression tanks into which nitrogen and hydrogen

were introduced under enormous pressure and extreme temperatures that the German experts took no chances while operating the large drums. In stations about 100 yards from these tanks they manipulated the mixing process in the compression tanks by levers and valves.

The compression tanks, according to Major Sill, were constructed of alloy steel plates 6 inches thick. These tanks or "bombs," as they were described by the Germans, were constructed by welding two sections. The inner diameter of the towering gun-shaped chambers was 30 inches, and the height was about 40 feet.

Inside this larger tube was a smaller tube of steel one-fourth of an inch thick. The Haber process was used for the introduction of hydrogen and nitrogen into these long "bombs," where the two gases were compressed in the presence of a catalyzer. By this process nitrogen was taken out of the air and converted into ammonia, nitric acid, nitrates, fertilizers, and ammonium sulphates.

Until the Germans solved the problem during the war no steel had been manufactured strong enough to withstand the force of hydrogen gas under pressure. According to Major Sill, a special kind of steel at the Krupp works was used successfully in the nitrate works.

This steel was tested to withstand the pressure of more than 2,000 pounds a square inch when the hydrogen and nitrogen gases were compressed under a temperature running from 500 to 600 degrees. Sometimes the tanks burst, and the effects were first fully understood in the explosion of 1917, when workmen crossing a bridge a half mile away were killed by concussion.

The plant at Oppau was started in 1913 with a government subsidy, and in February, 1917, was producing 100,000 tons of nitric acid a year. According to information given to the Allied Mission by Doctor Gause, director of the Badische Co., it cost \$25,000,000, of which \$1,000,000 was spent on the laboratory. The entire plant would cover roughly between 200 and 250 acres.

The nitrate plant was laid out on a rectilinear plan, and the buildings were constructed of brick. These structures, of which there were approximately 100 at the Oppau plant, were two stories high at the eaves, and another story higher in the center, the central portion being about 100 feet long and 50 feet wide.

Major Sill believes that it will take the Germans at least a year and a half to rebuild this plant if the first reports of the explosion are correct. Meantime, he said, the dye works of the Badische Co., which depended on the nitrate plant for fundamental chemicals, would be compelled to curtail their output unless they succeeded in procuring chemicals from the other two nitrate plants in Germany.

EXPLOSION AT THE SYRACUSE PLANT.

Mr. LADD. I also wish to put in the RECORD the following extract from Chemical and Metallurgical Engineering, of June 14, 1922:

[From the Chemical and Metallurgical Engineering, June 14, 1922.]

EXPLOSION IN SYNTHETIC AMMONIA PLANT OF ATMOSPHERIC NITROGEN CORPORATION.

Four persons were injured in an explosion on June 11 at the new Haber process plant of the Atmospheric Nitrogen Corporation, at Solvay, just west of Syracuse, N. Y. Officials of the Allied Dye & Chemical Corporation, of which the Atmospheric Nitrogen Corporation is a subsidiary, were not able to explain the cause of the accident or to estimate the damage. It was stated, however, that operation will be normal within a few days. The damage was confined to the interior of the process building, the walls remaining intact.

Evidently the plant that has been pointed out as a successful example of Haber process operation in this country is not without its record of explosions.

ACCIDENTS AT NITRATE PLANT NO. 1.

Even nitrate plant No. 1 had its accidents, for in the report of the operations (No. 2041 Nitrate Div.) I find the following:

Great difficulties also were experienced with the ammonia synthesis and liquefaction systems. The ammonia catalyst is contained in a steel bomb about 48 inches internal diameter and 15 feet 2 inches long, with screwed heads, top and bottom. The main difficulty was the inability to keep this bomb tight, in view of the pressure of 1,450 pounds per square inch which had to be maintained. The catalyst operated at 500° C., which temperature is maintained by heat interchangers and a gas heater, which supplied additional heat at the entrance to the bomb. The tubes in the heater burned out frequently, permitting the escape of gas, which often caused the process to be shut down. The escaping hydrogen often ignited, but fortunately there was no loss of life in any of these accidents (p. 272).

Mr. President, experience in industrial chemistry has shown that accidents are apt to occur under those conditions of strenuous operation which accompany a state of war. For my part I should hate to see the United States dependent for its nitrogen upon a process so dangerous that a slip on the part of an operative, the forgetfulness of some one who fails to turn a valve at the right time, results in a catastrophe that, with great loss of life, wipes out an essential military operation. For my part, Mr. President, as a chemist I warn this Senate against depending upon such a process, for I do not believe that it is necessary.

VIOLENCE OF THE OPPAU EXPLOSION.

I have before me a photograph of what was left of the portion of the Haber process plant which exploded at Oppau. The principal feature to be seen in the foreground is a great hole, said to have been 315 feet across and 100 feet deep. Not even the "Big Bertha" which was a crowning achievement of German military effort could have caused this yawning crater. Only a volcano could be compared with the Oppau explosion.

I maintain, Mr. President, that the science of nitrogen fixation has progressed far enough so that it is not necessary to erect a volcano in a civilized community to supply this country with nitrogen for its military explosives.

TABLE VI.—Cotton—Continued.

IMPORTS.

[The great customers who use the bulk of the world's exportable surplus of cotton (stated in thousands of bales of 500 pounds gross weight).]

Year (average).	1	2	3	4	5	6	7	8	9	10	11	12	13
	Canada.	Belgium.	France.	Germany.	Italy.	Japan.	Netherlands.	Spain.	Sweden.	Switzerland.	Great Britain.	Russia.	Austria-Hungary.
1909-1913.....	137	406	1,435	2,258	896	1,405	277	382	93	113	4,164	886	906
1914.....	152	None.	949	None.	879	1,705	245	889	107	101	3,447	801	None.
1915.....	197	None.	1,052	None.	1,344	2,015	365	600	558	147	4,820	641	None.
1916.....	205	None.	1,178	None.	1,170	2,299	177	471	130	123	4,045	57	None.
1917.....	178	None.	1,290	None.	828	1,947	46	447	32	94	3,163	None.	None.
1918.....	226	None.	636	None.	601	1,886	1	277	33	38	3,114	None.	None.
1919.....	179	289	1,007	None.	826	2,190	114	341	80	115	3,816	None.	None.
1920.....	241	506	1,033	691	825	2,176	124	375	113	97	3,457	375	None.

TABLE VII.—International trade balance sheet between Europe-Canada and United States of America. Item I: United States bill to Europe and Canada; Item II: Part paid. Item III: Balance due and unpaid for eight years, January, 1915, to January, 1923, inclusive.

	Europe-Canada eight-year bill.	Debit.	Credit.
<i>Item I. United States bill to Europe and Canada for eight years.</i>			
Invisible debits:			
1. Agricultural products sold and exported to Europe.....	\$20,430,625,433		
Manufactured products, raw materials, and all other merchandise, sold and exported to Europe.....	7,945,233,225		
Merchandise and agricultural products (total exports) sold and exported to Canada.....	5,038,146,108		
Army and Navy supplies, sold by liquidation commissions in Europe after the war to Nov. 15, 1922.....	574,876,884		
Supplies and merchandise, mostly agricultural products, sold and exported by American Relief, \$84,093,963, plus United States Grain Corporation, \$36,858,802.....	140,952,766		
2. Interest accrued to United States Government on loans to European Governments of \$10,129,140,829, to Nov. 15, 1922.....	2,115,471,845		
Interest accrued to American investors on European loans at average rate of 6 per cent and average \$2,881,506,000, less refund of \$648,246,316, to January, 1923.....	584,097,106		
Interest accrued to American exporters and bankers on an average (from Jan. 1, 1915, to Jan. 1, 1923) of \$2,500,000,000 current open credits.....	819,000,000		
Interest accrued to American investors on Canadian loans, rate 6 per cent (on \$156,819,683, Jan. 1, 1915, plus \$1,455,778,114, loaned since), on a total of \$1,612,597,797.....	372,571,523		
3. Discount at an average 4 per cent paid by Europeans in United States on sale of \$2,881,506,000. European securities sold to American investors.....	115,000,000		
Discount at an average 5 per cent on resale of American securities sold by European owners to American investors on \$2,500,000,000.....	125,000,000		
4. War service of transportation and other items furnished allies in United States out of \$10,000,000,000 loan in addition to items in sub 1, item 1.....	1,246,780,348		
5. War liquidation items, incurred in United States on cancellation of allied war contracts and expenses of allied commissions in United States.....	100,000,000		
6. Insurance, shipping, repairs, supplies in United States ports, tourists, \$75,000,000 per year (war transportation shipping in sub 1, item 1).....	600,000,000		
7. European agreement to repay occupational services furnished by War Department to United States on Rhine.....	255,862,608		
8. European loans placed in United States taken up and paid off by Europe.....	650,500,000		
		\$41,214,117,346	
<i>Item II. Payments made.</i>			
Invisible credits:			
1. All merchandise purchased and imported from Europe to Jan. 1, 1923.....	5,846,968,461		
All merchandise purchased and imported from Canada to Sept. 20, 1922.....	2,972,276,711		
2. Gold and silver net balance delivered to United States by Europe.....	771,715,000		
Gold and silver net balance delivered by Canada—largely French and Italian gold deposited with Great Britain sent via Canada.....	1,418,392,000		
Gold and credits delivered to United States Treasury by British Government from India.....	81,000,000		
3. American securities purchased from European holders by American investors.....	2,500,000,000		
European securities, public and private, purchased by American investors (\$2,881,506,000, less \$648,246,316 refunded through \$10,000,000,000 loan by British).....	2,232,259,684		
Francs, marks, lire, pounds sterling purchased and held by American investors.....	1,000,000,000		
Canadian securities, public and private, purchased by American investors.....	1,455,780,000		
4. War merchandise and service by United States Government purchased in Europe for war, Navy aircraft, and United States Government needs to end armistice period paid in cash.....	2,509,442,889		
War merchandise and service by United States Government for same purposes as sub. 4, item II, paid by United States from francs, lire, and pounds sterling furnished by allied Governments.....	1,490,557,111		
War merchandise and service by United States Government for same purposes from armistice period to present for occupational expenses on the Rhine.....	255,862,608		
5. Interest accrued to European investor and holder of American securities on an average rate of 5 1/2 per cent on \$2,500,000,000.....	1,526,322,688		
6. Remittances by European immigrants in America to Europe, 1915, 1916, 1917, and 1918, at \$175,000,000 per year; 1920, 1921, and 1922, at \$300,000,000 per year—all Europe.....	1,600,000,000		
7. Tourist and shipping, repairs for years 1919, \$100,000,000; 1920, \$150,000,000; 1921, \$175,000,000; 1922, \$200,000,000.....	625,000,000		
8. American investments in Canadian and European properties and agencies (motors, tires, farm implements, oil, packing, etc.).....	50,000,000		
9. Current revolving credit advances to European and Canadian merchants by American bankers and exporters for United States exports and imports.....	2,000,000,000		
Unsettled trade balance of Europe and Canada in favor of United States.....			\$28,835,557,132
Total United States bill to Europe and Canada for eight years.....		\$41,214,117,346	\$41,214,117,346
<i>Item III. Balance due and unpaid.</i>			
1. European allied Government notes received by United States Government for allied loans under Liberty loan act—unpaid balance to Nov. 15, 1922.....	9,386,422,558		
2. European Government notes received by United States Government for War-Navy supplies sold since war, \$374,876,884; sales American Relief, \$84,093,963; and sales U. S. G. Co., \$36,858,802, plus \$255,862,608, United States Rhine cost.....	871,692,237		
3. Interest accrued and unpaid on sub. 1-2, item III, by European countries to United States Government balance to Nov. 15, 1922.....	1,554,783,389		
4. Total obligations of European Governments to United States Government.....	11,812,898,204		

Farm industry's interest in the above—international transactions covering eight years:

(a) The \$10,000,000,000 Allied loan by the United States was directly expended for agricultural products, \$7,889,001,697; for manufactured and raw materials, \$2,099,106,125; railroad freight, \$136,083,774.

(b) The \$871,692,237 liquidation sales—notes, United States Grain Corporation and American Relief—at least 80 per cent thereof, or \$697,353,705, was for agricultural products.

(c) Of the total exported merchandise to Europe and Canada (excluding supplies to Army and Navy in Europe), \$26,184,701,270 was agricultural products.

American banking and investment houses' interest in the above—international transactions covering eight critical years:

- (a) The financing and sale of all securities purchased and sold in American markets.
- (b) All credit arrangements and settlements on total exports and imports.
- (c) Total shipments of all gold and silver imported and exported.
- (d) Collections and payments of all interest and discount, together with the handling of invisible credits and debits of immigrant remittances, tourists, shipping, and insurance.

(e) Investigating, reporting, and passing, as well as establishing European customers' credits for merchandise exported, for which they have established in European countries large American branches.

(f) The American seaboard banks and American investment houses from New York to San Francisco handled \$56,000,000,000 for our foreign trade during those eight critical years while the great American interior banks financed in addition the money for the planting and sale of the farm products during the same period.

TABLE VIII.—Looking backward from January 1, 1914, to January 1, 1900—Fourteen years pre-war peace period—International trade balance sheet between United States and all Europe, years 1900 to 1914, inclusive—Peace time pre-war trade sheet with Europe.

Fiscal years.	United States bill of items to Europe.						Europe's payment on bill.						
	Fiscal year exports.	Fiscal year imports.	Fiscal year net excess of United States exports and imports.	Fiscal year net excess gold and silver to Europe.	To Europe United States securities sold as merchandise.	United States total bill to Europe. ¹	Total Europe payments. ¹	Interest 5½ per cent paid to Europe on United States securities purchased.	Interest 6 per cent paid to Europe on \$1,500,000,000 on our world's trade.	Net excess of European ocean drayage for United States.	United States tourists' money in Europe.	Immigrant remittance to Europe.	Net excess gold and silver to United States.
1900.....	\$1,040,167,763	\$440,567,314	\$599,600,449	\$75,313,684	\$70,000,000	\$744,914,133	\$737,600,000	\$227,600,000	\$90,000,000	\$50,000,000	\$170,000,000	\$200,000,000	.....
1901.....	1,136,504,605	429,620,452	706,884,153	92,246,955	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1902.....	1,008,033,981	475,161,941	532,872,040	75,424,417	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1903.....	1,029,256,651	547,226,887	482,029,770	48,717,734	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1904.....	1,057,930,131	498,697,379	559,232,752	79,610,721	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1905.....	1,020,972,641	540,773,092	480,199,549	1,563,792	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1906.....	1,200,166,036	633,292,184	566,873,852	.....	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	\$785,818
1907.....	1,298,432,390	747,291,253	551,161,127	.....	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	44,425,633
1908.....	1,283,600,153	608,014,147	675,586,008	2,134,700	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1909.....	1,146,755,321	654,322,918	492,432,403	82,331,925	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1910.....	1,194,062,988	790,134,594	403,928,399	71,877,002	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1911.....	1,293,072,862	770,293,236	522,779,626	34,525,802	.....	.....	.....	.....	.....	.....	170,000,000	200,000,000	.....
1912.....	1,467,451,834	900,003,944	567,447,890	64,138,330	150,000,000	781,586,220	776,750,000	26,675,000	90,000,000	50,000,000	170,000,000	200,000,000	.....
1913.....	1,499,573,363	864,666,103	634,907,260	.....	150,000,000	784,907,260	793,360,330	275,000,000	90,000,000	50,000,000	170,000,000	200,000,000	8,360,330

¹ 1922 exports and imports used as basis for 1923.

Looking backward: To the close of this normal 14-year period Europe's credit position, as a result of an almost uninterrupted half a century of peaceful commercial civilization, was as follows:

(a) Europe, with the rest of the world, was enjoying the benefits of international trade, which was at its highest point, with 45,000,000 tons of shipping facilities sufficient to adequately handle the world's commerce.

(b) In the world's commerce Europe was the great financial center, supplying the new money for United States, Russia, Japan, China, India, South America, Africa, Australia, Canada, and the Balkan States—in a word, to the world.

(c) The investors of Great Britain alone owned and controlled \$250,000,000 of the \$300,000,000 of the annual gold supply of the world.

(d) The investors of Great Britain alone had invested capital in the countries of the world of \$18,000,000,000.

(e) Europe had purchased and held American securities to the extent of \$5,000,000,000.

(f) Great Britain had invested in the financing of our foreign trade an additional \$1,500,000,000.

(g) Europe was collecting annually from the United States an interest charge at 5½ per cent on \$5,000,000,000 and 6 per cent on an additional \$1,500,000,000 invested in our foreign trade—a total annual interest of \$365,000,000.

(h) Europe was doing our annual ocean drayage in excess of \$50,000,000 over that carried in American bottoms.

(i) Europe was loaning to the United States new capital at the rate of \$100,000,000 a year.

(j) All of the European nations had a small national debt, the interest on which was easily met by small annual tax of \$1,600,000,000 for interest on their national debts.

(k) The franc, lira, crown, ruble, and pound sterling were sound and approximately at par the world over, with all the European nations solvent.

(l) European merchants were well known and financially strong, with unquestioned credit the world over.

These were the financially strong and the good customers for the exportable surplus of the American farm, factory, and mine.

Let us now look at Europe—our same good customers—as of January 1, 1923, after the destructive calamity of a world-destroying war. Looking forward—from January 1, 1923, to the years to come—10, 20, 30, 40 years:

(a) The United States has become the financial center and great creditor nation of the world, with \$250,000,000,000 of national wealth and a comparatively small national debt—to-day the only world market for substantial amounts of new capital.

(b) The lines of the world's international commerce broken down and largely destroyed, except for taking care of only the almost actual necessities of life for many of the countries of the world—their buying reduced to the lowest possible minimum.

(c) The world's shipping facilities greatly overbuilt, with 54,000,000 dead-weight tons of steel cargo shipping, in desperate competition, to carry the "world's commerce," which does not require to-day more than 35,000,000 dead-weight tons of shipping.

(d) With a total of \$28,000,000,000 paid on our \$40,000,000,000 of trade balance, there is hanging over and menacing our foreign trade relations with Europe a \$12,878,560,194 unsettled trade balance in favor of the United States.

1. This terrific unsettled trade balance exists, too, even after Europe has exhausted almost all of her available resources to settle it. Great Britain, realizing the effect of this unsettled trade balance and

its menace to world conditions, endeavors in a statesmanlike manner to promptly accept our terms and thus reduce her portion of that trade balance by approximately \$5,000,000,000.

2. Hanging over the European nations to-day are great unfunded external debts, owed principally to the United States and Great Britain, of \$11,812,898,204 to the United States alone, with an annual interest charge of \$354,000,000, menacing and destroying the reasoning powers of the afflicted nations of Europe, which must be met by taxes upon her people.

(e) To meet forty billions of trade balance in favor of the United States during the last eight critical years, of which trade \$26,000,000,000 was for agricultural products, our great customers in Europe have since 1914—

1. Returned to the United States two and one-half billion dollars' worth of American securities, and the United States, through the Allen Property Custodian, has impounded \$400,000,000 worth of German securities.

2. Sent to us a \$2,271,107,000 net balance of gold and silver, mostly Russian, Austrian, German, Italian, and French, together with new world production, which the United States holds, and as a result these nations are off a good basis.

3. Borrowed new money in the American investment markets of \$2,232,259,684.

4. Canada has borrowed in the American investment markets \$1,455,780,000. Europe in pre-war days furnished Canada all her new capital; and

5. The United States has taken over from Europe the financing of her own world trade and has invested in it about \$2,000,000,000 of American banking money.

(f) Europe is collecting interest to-day from us on \$1,500,000,000 of American securities, as against \$5,000,000,000 held by her investors in 1914.

(g) The countries of Europe staggering under national external and internal debts, with interest charges from those debts equaling \$11,000,000,000 a year, as against \$1,500,000,000 of interest charges for 1913.

(h) While the dollar and pound sterling are practically at par, the lira is a little over one-fifth of par and the franc a little less than one-third of par, with the ruble, Austrian crown, and the German mark depreciated to practically nil.

(i) The credits of a large percentage of the merchants of Europe are weak and gradually shriveling up. Yet midst all the financial chaos that exists in Europe to-day, Great Britain, with \$15,000,000,000 of world securities still in the hands of her private investors, within the very heat of the firing line, stands cool and set at home like the sentinel "Rock of Gibraltar," while promptly honoring her obligations abroad. The world has confidence in her statesmanship because Great Britain always leans in her international affairs upon the tried and experienced men of her country, in her hours of success as well as in her hours of need. They know the present-day history of "world commerce" and they can read the future. What a lesson to this country—her debt-funding commission arrived home on Saturday, reported to the Government, and by the following Wednesday that nation had accepted and taken on its obligations of principal and interest to the United States Government, assuming for its people, already heavily taxed, a further tax burden of \$170,000,000 a year for 66 years.

(j) Great Britain, along with the neutral countries of Norway, Sweden, Denmark, Holland, Switzerland, Spain, and Portugal, are alone left with foreign financial credit and stability.

England, is carried on commercially. I have no positive information to that effect, but my impression is very strong that it is. As I said, there is no recovery of ammonia from producers in this country, as far as known to me, and I know many of the works where the big producer plants are.

I think Mr. Summers made a slight error in dates in regard to the introduction of the by-product oven in this country. It was started in Syracuse by the Sement-Solvay Co. in 1893. They were the only ones until the Glassport installation, and that was quickly followed by the Dunbar installation.

H. K. HITCHCOCK. There was a producer plant for recovery of ammonia erected in this country by the Columbia Chemical Co., Barberton, Ohio. Before it was decided to erect this plant Mr. Galt carefully investigated the operation of these same producers in England and found they were operated successfully there and giving very excellent commercial results. After these producers were erected here, however, the patentees were not able to operate them with the coal which was used at the Barberton plant, so as to get a commercially economical result. Theoretically the process should have been commercially successful. But while it was technically successful, it was never a practical success from an economic point of view.

In this connection there is another possibility for the by-product coke industry which might be interesting. Quite recently I have heard suggestions for utilizing the by-product coke oven to make coke and by-product gases; then pump the gases through existing natural-gas pipe lines, in order to deliver the fuel gas at the point of consumption and at the same time make the by-product coke at the mine where the coal is produced. An arrangement of this kind should be commercially available, and every time a supply of natural gas falls short and the demand for gas fuel becomes acute the problem bobs up. I have no doubt it will eventually be done to considerable extent in the Pittsburgh district and considerable ammonia recovered.

FRANCIS C. FRARY. In regard to the statement about by-product ammonia in Chicago and neighborhood, to my personal knowledge the Sement-Solvay Co. erected a plant there about nine years ago which has been continuously producing by-product ammonia ever since.

L. L. SUMMERS. I spoke extemporaneously. I will make one statement. In regard to the Mond process for washing gas, there have been a number of plants tried in this country, but the fundamental weakness is the fact that in washing a low-grade gas, primarily the producer gas is used for combustion purposes, and in gas running from 80 British thermal units to 140 British thermal units per cubic foot, which is the range of blast-furnace gas and producer gas, you sacrifice its physical temperature, so instead of having a temperature of 1,500°, 1,700°, or 1,800° F., which you might get direct from the producer (or, in the Mond process, 1,000° F., on account of the excessive steam used), you sacrifice the sensible heat, and you have reduced the calorific value of the fuel about 18 or 20 per cent. To show such a large volume of gas requires quite a large plant, and commercially you are on the wrong side of the books.

PRESIDENT LIDBURY. It is a fact, I might mention, that the plants in England are in connection with the engines used for combustion power purposes.

L. L. SUMMERS. The primary installation was laid down by Dr. Ludwig Mond many years ago in his own works at New Castle, and that is where the greatest development has taken place.

JOSEPH W. RICHARDS. The gas was made near the mines and piped to the point of consumption, and therefore the original heat of the gas, in that distribution system, would be lost anyhow.

LEO BAEKELAND. I know there are many important sources of ammonia which have up to this time practically remained untouched. In this country there are immense deposits of peat, which, in conjunction with the production of gas, would furnish an enormous supply of ammonia; peat has been utilized successfully for this purpose in some European countries where good coal is less abundant than in the United States.

J. E. JOHNSON, Jr. They tried it in Canada also.

PROGRESS IN NITROGEN FIXATION REQUIRES COSTLY EXPERIMENTING.

MR. LADD. Mr. Peacock has shown in a general outline certain reactions which he thinks should be utilized at such a location as Muscle Shoals. These reactions have been combined into a series of processes which has been the subject of most careful study and investigation. I do not know whether the application of these processes will result in the production of 5-cent ammonia or not, but as a chemist it does seem to me that this procedure is a start along the right road. These particular processes may or may not succeed, but sooner or later some development will be made which will succeed. How soon such a process is made commercial depends largely upon the amount of money which is available for the preliminary work.

In brief, then, the situation is just this: American capital has rightly appraised Muscle Shoals, not as an opportunity to make untold millions but as a half worked-out development on which many millions must be spent before the problem is solved. Neither the cyanamid process, with its complications and large expense, nor the Haber process, which offers little hope of ammonia for less than 10 cents a pound and which is accompanied by dangers unpleasant to contemplate, is likely to be the process desired. Neither of these processes represents the last word in nitrogen fixation. What the ultimate process will be only time can tell. One thing is certain, and that is that before the answer is reached and the problem solved somebody must spend a large sum of money.

The amendment proposed by the Senator from Nebraska is only the first step, the mere beginning on a long road of experimentation. If the first step costs \$2,000,000, I leave it to Senators to judge for themselves how expensive this undertaking ultimately will be. To deliberately engage in such an enterprise contrary to the recommendations of the Ordnance Department, and particularly in view of the fact that private capital has already offered to shoulder this responsibility, appears to me to be a policy which the taxpayers in this country will

never understand, and which we who authorize such a policy will never be able to explain.

It is unfortunate that the importance of the fixation of nitrogen is not better understood in the United States. The chemist well knows the facts, but he does not speak the language of the farmer, and when he undertakes to express his views he finds difficulty in making himself understood.

Nitrogen, Mr. President, is both bread and meat, although in the United States it is seldom thought of as an essential article of food. Germany understands how important it is. One of her four leading physicists and chemists is Dr. Nikodem Caro, inventor of the cyanamid process of nitrogen fixation and of a very successful process for generating hydrogen gas; during the war he was appointed minister of raw materials and was charged with the responsibility of providing German industries with raw materials for making munitions, equipment, and supplies. The New York Times of December 20, 1922, quotes Doctor Caro as saying that nitrogen is bread and that Germany would be ruined by the French demand for 60,000 tons of pure nitrogen, which he declares would result in a harvest decrease amounting to 1,500,000 tons of grain worth 200,000,000 gold marks.

I ask that the article be included without reading.

THE PRESIDING OFFICER [Mr. CURTIS in the chair]. Without objection, it is so ordered.

The matter referred to is as follows:

[From the New York Times of December 20, 1922.]

SAYS NITROGEN EXPORT WOULD RUIN GERMANY—EXPERT OPPOSES FRENCH DEMAND FOR 60,000 TONS—COMPARES IT TO 1,500,000 TONS OF GRAIN.

BERLIN, December 20.—"Nitrogen is bread," asserts Dr. Nikodem Caro, well-known German agricultural expert, declaring that fulfillment of the French demand for the delivery of 60,000 tons of pure nitrogen would intensify Germany's food problem to the point of catastrophe.

The amount of nitrogen demanded by France, he adds, is equivalent to 300,000 tons of ammonium sulphide (sulphate) and its loss to German agriculture would result in a harvest decrease amounting to 1,500,000 tons of grain, or about 6,000,000 tons of vegetables. It would cost 200,000,000 gold marks to replace this grain, which sum he declares it impossible to obtain under present conditions.

Doctor Caro claims that through the partition of upper Silesia Germany lost one of her largest nitrogen plants to Poland, and was thus cut off from an annual supply of 30,000 tons. This meant a reduction of 750,000 tons in the grain yield yearly, which reverse could not be offset for at least two years.

Germany needs 340,000 tons of nitrogen for her own requirements annually, he says, disputing the charge recently made in the French press that Germany had a surplus and could meet the French demand if she desired.

MR. LADD. Mr. President, this appreciation in Germany of the direct relation between a plentiful supply of nitrogen and a plentiful supply of food for a nation is in striking contrast with the misunderstanding, inertia, and indifference with which this subject is treated in the United States. While it is true that Germany lost the war, she made a great accomplishment when at one blow she freed her food supply from dependence upon Chilean nitrogen and at the same time provided for her national defense for the future by making possible the production of powder and explosives in such formidable proportions that she was able to hold the whole world at bay for four years.

On the other hand, we have paid a nitrogen food bill to Chile, from 1831 to September 30, 1922, amounting to the amazing total of \$982,561,953.72, of which \$188,625,591.80 went to support the Chilean Government in the form of an export duty. More than 99 per cent of this amount has been paid for foreign food-producing nitrogen since the close of the Civil War. Our national nitrogen bill represents nearly one-third of the world's total purchases of Chilean nitrate.

MR. PRESIDENT. I know of no example in the history of civilization which is a parallel to the dependence of civilized nations upon Chilean nitrates—a dependence which has grown up during the past 50 years. Since January 1, 1865, careful estimates, based upon the cost of Chilean nitrate in North Atlantic ports, show that the world has paid about \$3,281,000,000 for this single element which is so necessary in food production.

And yet nature has provided an inexhaustible supply of this same nitrogen in our atmosphere. Over every acre of ground there are 33,800 tons of pure nitrogen awaiting only a commercially successful fixation process to make it available. Nature challenges us to take our nitrogen from this great reservoir, and Henry Ford offers to start an American nitrogen industry with a guaranteed production of 40,000 tons of fixed nitrogen annually.

The question may well be asked, if it is not to be the cyanamide process, and if the Haber process will not do, then how does Mr. Ford propose to produce this large tonnage of fixed nitrogen?

MR. PRESIDENT. science has scarcely scratched the surface in its investigations of the possibilities in this field. We have a nitrogen-fixation laboratory here in Washington; it has cost

us nearly a million dollars in the past three years, and while I have no doubt that its work has been handled by competent scientific men, there is a whole field of nitrogen fixation which they pass over with less than half a page in a report of 353 printed pages. This is the field of metallic nitride processes. While it is true, as they report, that none of these metallic nitride processes has achieved any degree of commercial success, I can not agree "that it does not appear that they have any immediate prospect of such development." To make such a statement as that is to wholly ignore the power situation at Muscle Shoals; and if I understand it correctly, the purpose of the Fixed Nitrogen Research Laboratory is to work out a satisfactory solution for the fixation of nitrogen at that location.

The enormous secondary or irregular power at very low cost makes it possible to make metallic sodium from ordinary salt by a simple process. This can be done by the use of calcium carbide under the well-known Freeman patent, in which commercial calcium carbide and dry sodium chloride are ground together and the mixture charged into an electric furnace and heated to a bright-red heat, about 1,400° centigrade. The result is the production of sodium carbide, which is broken down by heat and decomposed into metallic sodium and carbon. Since the carbide portion of nitrate plant No. 2 is probably the largest calcium carbide plant in the world and stands ready for immediate operation, it appears that the production of sodium from salt could be readily accomplished with cheap secondary power.

However, there are other processes for producing metallic sodium from salt which do not use carbide, and very promising results have been reported from experiments in smelting phosphate rock with salt by means of which are produced phosphoric acid, a very important part of complete fertilizer, hydrochloric acid, a valuable by-product which would reduce the cost of fertilizer, and sodium oxide which could be reduced to metallic sodium by the use of carbon and cheap secondary power. Once having a large supply of cheap metallic sodium available, Mr. President, this whole field of promising nitride methods for nitrogen fixation immediately becomes available. For example, boron trioxide, which is readily obtainable from a cheap material called "borax," is an excellent agent for nitrogen fixation, because a small amount of boron will unite with a large amount of nitrogen; and in a boron-nitride process nearly all of the boron trioxide would be recovered, so that no great tonnage of borax would be required as a raw material. When boron trioxide is heated in a closed furnace in the presence of metallic sodium and in an atmosphere of nitrogen, a heavy dark greenish gas¹ called "boron nitride" is formed, together with a by-product production of sodium oxide, which in turn becomes a source of new supplies of metallic sodium. The greenish gas is sprayed with steam or hot water and gives up its nitrogen in the form of ammonia, which is the same form in which nitrogen is obtained by either the cyanamide process or the Haber process. But in this nitride process there are no dangerous high pressures, and it is not even necessary to secure a supply of pure hydrogen, for that is obtained directly from the hot water.

There is, however, another process only recently developed and which is available to Mr. Ford which promises greater results than anything heretofore accomplished. I am not permitted to give the details of this process, Mr. President, because of the fact that to do so at this time might deprive Mr. Ford of its use, but I am free to say that it works at atmospheric pressure and at moderate temperature. It is true that this new process requires a supply of pure hydrogen, but as I have stated, Mr. President, where cheap secondary power can be used to produce electrolytic hydrogen the problem of a pure supply of this element is solved.

However, the availability of cheap sodium again comes into play, for, suppose that it is desired to produce hydrogen at a time when no secondary power is available. It is possible with plenty of cheap sodium to store hydrogen in a solid form just as it is possible to store acetylene gas in solid form for illuminating purposes.

It is well known, Mr. President, that to produce acetylene gas on short notice it is only necessary to place calcium carbide in a closed gas generator in which a small amount of water is allowed to drip upon it, and the gas is immediately generated. In the same way, during that portion of the year when a large amount of power is available, electrolytic hydrogen could be produced cheaply. If this hydrogen is passed over metallic sodium at the very moderate temperature of about 200° C., the hydrogen is chemically absorbed, in accordance with the following equation: $4\text{Na} + \text{H}_2 = \text{Na}_4\text{H}_2$.

In other words, 4 atoms of sodium unite with 2 atoms of hydrogen to make 1 molecule of sodium hydride. Sodium hydride, when allowed to cool and placed in water has a cu-

rious effect; not only does it give up the pure hydrogen which it has received from the electrolytic hydrogen generator, but it decomposes the water in which it is placed and releases a weight of hydrogen twice as great as the hydrogen which it carries, so that the total yield is three times the amount of hydrogen originally used to make the sodium hydride. This interesting reaction may be set down as follows: $\text{Na}_4\text{H}_2 + 4\text{H}_2\text{O} = 4\text{NaOH} + 3\text{H}_2$. (Teed, Chemistry and Manufacture of Hydrogen, p. 33.)

The commercial meaning of this, then, is that with cheap secondary power, both sodium and hydrogen can be produced at certain seasons of the year and carried in storage for several months, to be released when the water is low and the secondary power is no longer available.

EXPERIMENTING WILL BE COSTLY.

Mr. President, there are a score of other processes which I might describe, any one of which may be commercially useful at Muscle Shoals, but to determine which of them is the process which will yield 5-cent ammonia calls for costly experimenting on a large scale. Our own little experimental station out here at the American University, begun scarcely three years ago, has cost us nearly a million dollars and has done nothing, so far as I am aware, in this great and promising field. Mr. President, I am not able to estimate the cost of the large-scale experiments which will have to be made before this problem is solved, but it is a matter that will certainly run into many millions of dollars.

The latest news from France is an article in a fertilizer trade magazine called "Le Phosphate et Les Engrais Chimiques," and in the issue for November 1, 1922, we find an account of the production of pure hydrogen from water by means of metallic silicon or its alloys. This process has been developed by the German company, Elektrizitäts Gesellschaft vorm. Schuckert & Co. By this process hydrogen 99 per cent pure is obtained by using metallic silicon in a finely divided state, suspended in an aqueous solution of caustic soda. The Campagné Générale de Electrochimie de Bozel (General Electrochemical Co., of Bozel) produces hydrogen regularly by the following reaction: $\text{Si} + 2\text{NaOH} + \text{H}_2\text{O} = \text{SiO}_2\text{Na}_2 + 2\text{H}_2$.

For economy in the use of soda, a paste composed of silicon, lime, carbonate of soda, and water is used.

What happens is that the lime acts on the carbonate of soda to liberate the sodium which, with the silicon, reacts on the water, liberating the hydrogen. Ferrosilicon is frequently used as a cheap source of silicon, and a ferrosilicon paste is obtained which can be introduced without any danger into the hydrogen generator. The advantage of this manner of operation is to abolish the danger of explosion.

Is this one of the processes which should be used to secure hydrogen for the purpose of fixing nitrogen in the form of ammonia at Muscle Shoals? Frankly, gentlemen, I do not know. But I know that it is possible, with the large secondary power, to produce ferrosilicon economically there. But whether this recent German development is the most economical method for the production of pure hydrogen is a question which, like many others at Muscle Shoals, is still to be worked out.

Being familiar, as a chemist, with the difficulties, dangers, and the enormously heavy expense which must be faced in reaching a solution of the nitrogen fixation problems at Muscle Shoals, I want to say, Mr. President, that since we have a bona fide offer in which production is guaranteed and all of these difficulties, dangers, and heavy expense are avoided, I can not understand why this Government should embark on such an enterprise, for I believe that the solution of the difficulty lies in the immediate and unqualified acceptance of the offer of Henry Ford.

Finally, Mr. President, without criticism I wish to say in all frankness that failure to accept the Ford proposal will be ground for just criticism of our republican form of government and, to my mind, an indication of one of its dangers.

Speaking for myself, it is not hard to understand the fixation of the nitrogen of the physical atmosphere, but I am frank to say that it is beyond me to comprehend the fixation of our policies in the political atmosphere.

Mr. KING. Is there any provision in this bill which commits us to the Henry Ford proposition with respect to Muscle Shoals?

Mr. LADD. Not so far as I am aware; not at all. The Senator from Nebraska proposes to amend the bill by adding \$2,000,000 for further nitrogen studies in fixation at Muscle Shoals plant No. 1.

Mr. KING. Is that an amendment to be offered to this bill?

Mr. LADD. That is an amendment which has been proposed to be offered by the Senator from Nebraska and which has been printed.

Mr. KING. As I understand the Senator now occupying the floor, in his judgment that is not necessary?

Mr. LADD. I feel personally that it would be an unnecessary use of money. I do not believe the Haber process will be the one employed. I do not believe that nitrogen fixed in the form for fertilizer by this process can be produced at a low enough cost to be commercially feasible, and that some other method will have to be substituted in place of it. There are other methods suggested more promising with the cheap power available at Muscle Shoals, which I believe can be adopted without any danger of explosion.

Mr. KING. Does Henry Ford propose to use one of these other methods which meet the approval of the Senator?

Mr. LADD. He has not stated in his offer. He has not pledged himself to use either of the methods which are now in use, but has left it open to himself to use such method as he may choose.

Mr. KING. Is it the Senator's understanding, from the hearings and from what he can learn with respect to Mr. Ford's proposition, that whatever method he adopts it will be one which will be scientifically feasible and will result in the accomplishment of what the Senator has in view?

Mr. LADD. That is my judgment; yes.

Mr. KING. Does the Senator believe that there is any other proposition superior to that which has been submitted by Mr. Ford?

Mr. LADD. There is no other proposition except for the Government to finish the project and then dispose of it or use it. In fact, Henry Ford's is the only offer at the present time.

Mr. KING. What is the policy of the War Department, if the Senator is able to advise us?

Mr. LADD. I can not say what their policy is at the present time, but reports I have read indicate that they have decided not to go any further with plant No. 1 at Muscle Shoals.

Mr. KING. Are they offering any obstacles to entering into contractual relations with Henry Ford or offering obstacles to that and presenting no other policy?

Mr. LADD. I have no definite knowledge, but I feel that it probably is up to Congress to determine whether Henry Ford's offer shall be accepted or whether a new national policy shall be developed. But whatever it is to be, to my mind this "watchful waiting" is very unfortunate and very unnecessary, and either a national policy should be adopted or the offer before us accepted.

Mr. KING. If nothing is done toward repairing or improving the river and the dams, will there be waste and injury to existing dams, which in the future would have to be replaced in the event any projects were completed?

Mr. LADD. There would be, yes; and I am informed, though I have not had an opportunity to make a personal investigation, that it is necessary to modify the plans at Muscle Shoals somewhat before it is too late in order to insure their workability for nitrogen fixation.

Mr. KING. Does the Senator think that Mr. Ford's proposition is sufficiently concrete and definite as to justify the Government in entering into contractual relations with him?

Mr. LADD. Mr. President, I am going to answer that in this way: I came here as an advocate and friend of Government operation of public utilities. After making the investigation at Muscle Shoals, after considering the propositions that were before us, I determined in my own mind that the Henry Ford offer was the only practicable one before us, and I therefore did not support the proposition for Government operation.

Mr. KING. If that proposition should be accepted by the Government, what future appropriations would be required from the Government?

Mr. LADD. I am not prepared to answer as to the cost of the project, and I would not attempt to answer that at this time.

Mr. KING. Of course, it would be very much less than if the Government should attempt construction of the necessary dams and the nitrogen plant itself?

Mr. LADD. There is no question about that.

Mr. KING. The Ford plan, then, does contemplate considerable expense on his part?

Mr. LADD. It does contemplate a large expenditure on his part, and in fact, in my judgment, he could not make a success of Muscle Shoals if he did not build additional dams in the upper branches of the Tennessee River and impound their water, so as to stabilize the secondary power and increase the primary power.

Mr. KING. Does the Senator think it is wise for the Government to make any further appropriations upon that river for any purpose whatever, or would it be wiser, in his opinion,

to seek to obtain lessees under the Federal power act and make as good terms as possible with some lessees who would construct dams and furnish electrical energy for the section of the country in which the dams are situated?

Mr. LADD. I came to the conclusion, after studying the proposition, after going to Alabama and visiting the plant and seeing what had been done, and after listening to all the testimony, that it would be far better to accept the proposition for the completion of the dams under Government control rather than for the Government to do the work itself.

Mr. KING. I recall that some reference has been made in the discussion to the Alabama Power Co.—although I may not have the corporate name correct—which has operated for a number of years in Alabama and surrounding States. As I recall, some statement was made as to the willingness of that corporation to acquire the Muscle Shoals project for power purposes. Does the Senator think there is any possibility of our entering into arrangements under the Federal power control act with that corporation, or some other large private corporation, to produce electric energy and dispose of it, of course at rates which would be fixed by a commission to be appointed by the Government?

Mr. LADD. I referred to a statement from Doctor Glasgow, who made every effort to get financiers and fertilizer concerns and institutions interested in operating these plants, but he was unable to induce any of them to make an offer to take over the plant at Muscle Shoals, and therefore I conclude that they are fearful. I think they have reason to be fearful, because in my judgment many millions of dollars are going to be required to perfect those plants and make them successful for the production of nitrogen, either for powder purposes in time of war or for fertilizer purposes in time of peace. Conditions are changing so rapidly in experimental chemistry that any plant put up to-day, costing millions of dollars, may have to be scrapped inside of three years and replaced by a more modern plant.

Mr. KING. Is not the Senator afraid that the dangers and obstacles and impediments to which he has referred may deter Mr. Ford and frighten him from completing the project according to the plan which he has submitted?

Mr. LADD. I feel that he or his associates have in mind some method which they believe to be practicable, and he is willing to risk his millions. If he fails, under the contract the Government will have the right to take the property back at any time because of the failure of the lessee or purchaser to live up to the contract. The provisions of the contract are very rigid in that respect.

Mr. KING. The Senator favors the appropriation carried in this bill?

Mr. LADD. I have no objection to that.

Mr. SHIELDS. Mr. President, I favor the appropriation for the rivers and harbors of the United States, and I am opposed to any reduction of the amount recommended in the report, either as proposed by the amendment offered by the Senator from Idaho [Mr. BORAH] or that offered by the Senator from Wisconsin [Mr. LENROOT].

The sum proposed to be appropriated, in my opinion, is subject to but one objection, and that is that it is not large enough to take care of the great interests involved. The improvement of our rivers is of the greatest importance to this country, and any reduction of it will jeopardize the prosperity of our country and be hurtful to the development of our natural resources.

The subject has been discussed at length, and I do not intend to make any detailed argument or any argument in favor of any particular project, but to speak generally on the merits of the measure, on the great benefits to be derived by the people of this country from the improvement and proper maintenance of transportation upon our great rivers.

This morning I read an article in one of the greatest journals in this country, one that has done as much to advance the development of our natural resources and the manufactures of the entire United States as any other journal ever published. It has sound views upon most subjects, although with some of its positions I have not agreed. I am a subscriber to it, and I read it because I always find it interesting and instructive. I thoroughly agree with the editorial appearing in the magazine this morning, and it states the views I have of this bill, along the lines I intended to present it to the Senate, so much abler than I was able to do that I am going to read that article as a part of my remarks. I refer to the Manufacturers Record, of Baltimore, the issue of February 8, 1923. It is entitled "Wasting a priceless opportunity for national upbuilding," and reads as follows:

Adequate river transportation would create for this country billions of business now impossible of development through lack of transportation.

It would duplicate on our rivers the traffic through the "Soo" canal, which many times exceeds the aggregate traffic through the Suez and the Panama Canals. The value of these canals to world traffic is immeasurable, but it is not greater than would be the value of the full utilization of the traffic potentialities of the Tennessee, the Warrior, the Ohio, the Mississippi, and other rivers available for improvement and the construction of the Lakes-St. Lawrence waterway.

These improvements would be cheap if we expended a billion dollars upon them as rapidly as the work could be pushed. Indeed, it is safe to say that they would add at least a billion dollars a year to our national wealth. These improvements would unshackle trade held in check by lack of transportation; they would save hundreds of millions to our farmers; they would quicken the lifeblood of the whole country.

A few months ago Mr. Moreton Frewen, one of Europe's ablest students of world affairs, long an intimate friend and often adviser of E. H. Harriman, James J. Hill, and other giants in the American railroad field, wrote the *Manufacturers Record* that the construction of the Lakes-St. Lawrence deeper waterway would almost overnight double the value of every foot of land in Chicago and create similar conditions elsewhere by the enormous development of trade. That measurably indicates what every one of these big river improvements would mean; and yet Congress halts, and the Nation and many of its people squabble over a petty expenditure of about \$50,000,000 to secure such gigantic results.

Liverpool is to spend \$70,000,000 to improve its harbor facilities; Baltimore voted a few years ago a bond issue of \$50,000,000 for enlarged harbor terminals, but the United States, the great dominating industrial and agricultural country of the world, balks at the beggarly sum proposed in Congress for river and harbor work over an area of more than 3,000,000 square miles. What petty, parsimonious, narrow vision of how to create wealth by investing capital is displayed in this case by Congress and by the newspapers that parrotlike cry "pork barrel"!

Mr. President, there is no doubt that some bad projects are under construction upon our rivers and our harbors, but as to the merits of the great body of projects for the improvement of our waterways there can be, in my opinion, no reasonable controversy. We have the greatest system of inland waterways in the world. There is no country that can compare with ours in that respect. Many of our waterways are navigable without any improvement. Others, by a comparatively insignificant improvement, can be made navigable for many miles.

I think there is no question at this day that the Congress has the right to make appropriations for this purpose. I have no doubt that Congress, under the commerce clause, has jurisdiction to improve, has the right to remove obstructions, both natural and artificial, in our navigable streams for the aid and advancement of commerce. It would be, as has been said, a very limited power if we could only regulate commerce—that is, trade—without controlling the instrumentalities that are necessary to carry it on, and navigation is one of those. The only possible question that could ever be raised in this regard is whether the jurisdiction extended beyond the navigable waters, which in America means streams that are navigable in fact. We can not make a stream navigable by law. Under the common law of England, the system which we inherited and adopted, navigable streams were defined to be those in which the tide ebbed and flowed. That rule, of course, was inapplicable to the great waterways of the United States, and a different one was adopted, which is that those waters navigable for vessels engaged in commerce, ascending and descending in the natural condition of the waterways, or when reasonably improved, are in law navigable.

When we go beyond such waters, in my opinion, the Congress has no jurisdiction, but the pending bill proposes nothing of the kind. It is simply to improve the navigable waterways of the United States.

What we need in this country above all other things is cheap transportation. We can talk here for days and pass all sorts of measures to give the agricultural interests credit. We can do everything possible to get them in debt. But that is not really what the agricultural interests, the great body of them, in this country want. They do not want to get in debt. They want to get out of debt. They want reasonable and just prices, a fair price for their produce and a fair return for their labor. Furnish them a market, furnish them cheap transportation, and the agricultural interests do not ask any odds of any other interests. The agricultural interests always have been and always will be able to take care of themselves; indeed, they take care of the whole country. What is choking them now is the cost of the transportation of products to the market.

It is to my mind a crime that we do not develop our waterways and afford that transportation. It ought to have been done many years ago. If our rivers had been improved, if all their facilities and possibilities for transportation had been developed, there never would have been any trouble about transportation during the great war. We never would have been under any necessity of the Government taking charge of our railroads, with the net result of a resulting indebtedness to the Government of the enormous sum of \$1,800,000,000. We would have had ample transportation.

We would have it to-day. We have to look to the waterways for such transportation in the future. The railroad companies have got in such a condition in this country that further construction is at a standstill. There has been less railroad building in the last two or three years than heretofore for 50 years. With the troubles resulting from regulation and wages, the railroads have had hard going. I do understand the railroad question, and I am not going to attempt to argue it, but no one who reads the papers and has even a superficial knowledge of it can fail to recognize that there are two conflicting interests that seriously affect this great system of transportation in our country, and so affect capital and the investing interests that they have ceased to put their money into railroads as they formerly did.

Until there is a better condition, until there is more profit in that business, I do not see any chance for further extension of railroad transportation. But if there was, we want the waterways developed. We want competing transportation to the railroads. Competition is the best way to reduce freight rates. It would control them better than any law. Let them compete for the business. Let us develop the waterways, furnish cheaper transportation than the railroad companies can possibly furnish, and then we will have facilities for getting the products of the farmer and the manufacturer to the markets where they are needed and desired and where they can be sold at profitable prices. In that way we will do more to relieve agriculture and to relieve general conditions in the country, in my opinion, than in any other way possible.

In other words, Mr. President, I believe transportation is now giving the country more trouble than any other question. We should devote our attention to that problem and develop our waterways, and if possible do something to get cheaper rates upon the railroads for the farmers. I think in some sections they can carry the produce of the country cheaper than they are doing it now, and I think they ought to do it. I think it would be to their interest to do it, for in many instances the producers have absolutely stopped shipping their product because the freight rates are greater than the prices that can be realized, and produce is rotting in the warehouses and on the farms.

For these reasons I am in favor of the improvement of all our waterways. I would be glad to vote for a larger sum for that purpose. I think it is the poorest business imaginable, after the country has spent approximately a billion dollars in improvement of the waterways, to abandon them. We should, by failing to make appropriations, not only stop the improvements but allow the billion dollars in improvements we have already made to go to wreck and ruin and waste. We know it requires constant attention and constant expense to keep them up. We would simply be guilty of the poorest economy and poorest business management imaginable.

Mr. President, I hope the amendments will be voted down and the full amount proposed appropriated.

Mr. McKELLAR. Mr. President, the provision of the bill on the subject of rivers and harbors is as follows:

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interest of commerce and navigation, \$56,589,910.

As I understand it, there are two amendments offered to this section, one by the Senator from Wisconsin [Mr. LENROO] to reduce the amount to \$42,000,000, and another one by the Senator from Idaho [Mr. BORAH] to reduce it to \$27,000,000. I am opposed to both amendments.

The amount reported by the committee is, in my judgment, a reasonable and proper amount. If there is any trouble with it, it is too low. It is certainly not too high. This work on the rivers and harbors of the country is a great work and means a great deal to the people of the country. The need of the larger appropriation can not be better illustrated than by referring to the situation on the Mississippi River.

In the past we have spent large sums for the improvement of the Mississippi River, and we are now obtaining the fruits of the expenditures heretofore made. Transportation upon the Mississippi River has increased several fold in the last few years.

On the barge line alone the increases are shown in the following figures. The line was put in operation November 1, 1919:

Nov. 1, 1919, to July 1, 1920, tons of freight carried.....	115, 907
July 1, 1920, to July 1, 1921, tons of freight carried.....	237, 258
July 1, 1921, to July 1, 1922, tons of freight carried.....	655, 789

It will be recalled that the Government barge line was established nearly three years ago on that river and on the Warrior River. The barge line on the Mississippi runs principally between St. Louis and New Orleans. Since the barge line on this great river has been in existence it has been a paying proposi-

tion. It was a paying proposition from the first month, as I recall, paying even upon the large cost of the barges on the line, which, as we all know, were built at war costs. The result has been that an enormous business has been built up, increasing several fold each year. The first year it was prosperous, the second year it was very much more prosperous, and the third year even more prosperous, though it had an accident to which I now wish to call attention, an accident that will probably not occur again if the provision of the bill which I am now discussing is agreed to unamended.

The Mississippi River between St. Louis and New Orleans is navigable, practically speaking, at all times of the year. However, between Cairo and St. Louis there are a number of shallow places and occasionally the water gets so low that boats of the draft drawn by the Government barges get stuck.

Unfortunately, last September, on this particular stretch of the river, the barge line was put out of commission for nearly three months, beginning in September and ending in November, as I recall, simply because that part of the river had not been dredged and opened as it should have been. I wish to take this occasion to say that the Chief of Engineers, General Beach, immediately upon that trouble arising came to the rescue of the barge line. He is one of the most capable and efficient officers of the Government, and always stands ready to safeguard the Government's interests. He sent his engineers there, he sent his dredge boats there, and did everything in the world that could be done in order to clear that part of the river so that the barge line might proceed with its business, and it was cleared as soon as possible. If General Beach had had the money, if he had had the equipment, that accident never would have happened. Notwithstanding the barge line being virtually out of commission in that part of the river for a period of nearly three months, it made a large amount of money during the past year, and the losses that were then sustained will soon be wiped out and the line will show a large profit for the present fiscal year.

This is too great a work for us to take any chances on it. We ought to see to it that the river between St. Louis and New Orleans is kept absolutely free from obstructions at all times during the year. It can be done by an appropriation of a reasonable amount such as has been reported in the bill. I understand the appropriation carried this year will amply provide for that stretch of the river. I hope such appropriation will not be reduced; it ought not to be reduced. We know the difficulties which we have had in reference to transportation, and there is no reason in the world why the Government should not improve its rivers and its harbors so as better to take care of the Nation's business. With railroad rates as high as they are, with rates on the barge line 20 per cent less than railroad rates, with lack of building of new railroads, with our unexcelled waterways, we should improve them and make them do the work they are so capable of performing.

Mr. President, a committee of this body has recently been appointed to investigate and report on a 9-foot water channel from the Great Lakes to the Gulf. The State of Illinois has already appropriated \$20,000,000 to be used on this work in Illinois. When completed it will constitute one of the greatest waterways in the world. It will not only give water transportation between Chicago and New Orleans but will give it between many other cities on the Mississippi and its tributaries. Nashville will have this transportation; Louisville, Cincinnati, St. Louis, Little Rock, Muscle Shoals, and many other places. Memphis will be on the direct line. If our plans are carried out we will soon build up between the Great Lakes and the Gulf on these rivers and canals the greatest system of inland water transportation in the world. We should leave no stone unturned to make this great waterway a success.

I believe that the money which is proposed to be expended in this appropriation will be as well spent as any money which we shall appropriate this year, and a great deal better than much of the money which we have already appropriated or which we shall hereafter appropriate.

Mr. President, for these reasons I very much hope that the amendments which have been offered to the bill will be voted down and that the report of the committee carrying \$56,589,910 will be left in the bill.

Mr. HEFLIN. Mr. President, I am in hearty accord with what the Senator from Tennessee has said. I very much hope that the Senate will vote down the amendment of the Senator from Idaho [Mr. BORAH]; in fact, that it will vote down both amendments. A Republican Congress by its silence permitted four Federal reserve banks to appropriate about \$50,000,000 to construct bank palaces in four large cities. A large amount of that money would have gone into the Federal Treasury as a franchise tax had it not been for the approval by the Federal Reserve Board of the use of that money for those four banks.

Mr. President, I might cite a number of instances where special interests have been favored. I could call to the attention of the Senate, as I have done frequently and as I shall frequently in the future, the fact that \$90,000,000 a year was taken off the big income taxpayers of the country; the men of all men in the country who are most able to pay taxes. They were entirely excused from the payment of those taxes. So they are saving to themselves every year now \$90,000,000. I might again remind the Senate, and it is well that the country also should be reminded—for this Government belongs to the people of the country and they must make up their minds next year so as to decide who shall have control of the Government for the following four years—I might remind the Senate and also the people of the country through the Record that this Republican Congress voted to exempt certain taxpayers from the payment of \$450,000,000 a year. The profiteers of the United States received at your hands an annual gift of \$450,000,000.

Mr. President, if this Congress can sit without batting its eye and permit four Federal reserve banks to build four bank palaces costing about \$50,000,000, if it can permit the big income taxpayers to be excused from the payment of \$90,000,000 a year taxes and profiteers to be exempt from the payment of \$450,000,000 annually, it does seem to me that it can grant to the whole people of the United States for river and harbor purposes the sum of \$56,000,000.

Why can we not do that? Such an appropriation would benefit millions of people; and we ought here to do that which will bring about the greatest good to the greatest number. That may be an unpopular doctrine in the Senate now; it may be that we have fallen upon a time when he who lifts his voice against special or favored interests transgresses the rules of the Republican Senate, is out of order, and is talking in another age. Thank God, however, we are approaching a time when the people will again be heard, and, as I said a few days ago, when a new declaration of independence will be submitted to them. It is high time it were being submitted. We are fighting to hold in this bill a sufficient appropriation to provide for opening up rivers so that ships may bear the products of the farm to the factories and to the marts of trade, and thus contribute to the development of commerce in the United States. It looks as if a combination is being formed to strike down this appropriation.

Mr. President, I merely want to say a word on this subject. The Senator from Idaho [Mr. GOODING] called attention yesterday to the fact that he knew of vast quantities of agricultural products, wheat, corn, and other commodities, which rotted at the docks because there were not sufficient transportation facilities to carry them to the market place. Senators, there is no excuse for a situation such as that under a great Government like ours. If this is a government of the people, by the people, and for the people, why can not we, who are in charge of the Government, unloose these instrumentalities so that they will serve the needs of the people? We are not sent here to use these instrumentalities to serve the needs or the greed of a favored few to the hurt and the injury of the many. Probably I violate the rule when I say that, but I say it and I repeat it—we are not here to vote to use these instrumentalities to serve the whim and the greed of a favored few; we are here to use them to serve the needs of the common masses of the common people. Probably the majority of the Senate will adopt a rule to reach just such a speech as that and cut it out of the Record, and perhaps the time may come when a Senator who wants really to speak what he thinks will prepare his remarks and hand them to a Republican committee to examine and blue pencil. He will say, "Is there anything in that, my lord, to which you object?" Well, it will be a good while before they can make me conform to any such rule.

Now, Mr. President, I want to answer an argument made yesterday by one of the Senators on the other side about water and rail transportation. One Senator suggested that he did not know that water transportation influenced the railroads in giving cheaper rates. There is not any doubt about that in the world. If a railroad line parallels a river, and the Government goes to work and opens up the river so that boats may ply on it, the railroad line will make more reasonable rates. So when we open up one of these rivers and make it navigable we serve the needs of commerce; we are doing that which will benefit the farmer; we are helping also in doing that which will cause the railroads to charge fair and reasonable rates.

So when we stand here this afternoon—and I am just going to say a word more—and plead for the appropriation provided in the bill of \$56,000,000 for river and harbor improvements for 110,000,000 people we are pleading for a righteous project, we are pleading for a cause that is just, and I hope that no combination of interests will be permitted to strike out the provision which sets aside \$56,000,000 for river and harbor purposes.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). The question is on the amendment offered by the Senator from Wisconsin [Mr. LENROOT] to the amendment proposed by the Senator from Idaho [Mr. BORAH].

Mr. UNDERWOOD. Mr. President, I have before me a memorandum prepared by the War Department in reference to these minor projects proposed to be covered by the appropriation in the pending bill, on which projects most of the criticism has fallen. The memorandum goes to show the reasons for the particular expenditures along that line, and I ask that it may be read by the Secretary in my time.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

Memorandum.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, February 8, 1923.

The total number of localities given in the annual report of the Chief of Engineers upon which it is stated that any funds can be profitably expended during the fiscal year ending June 30, 1924, is 308. Of this total 24 only reported a tonnage during the calendar year 1921 of 5,000 tons or less. These localities are as follows:

Plymouth Harbor, Mass.: There was practically no tonnage for this harbor during 1921, due to the fact that most of the wharf property in Plymouth Harbor was destroyed during that year by the Pilgrim Tercentenary Commission in connection with the celebration of the landing of the Pilgrims. Prior to 1921 the commerce ranged from 13,500 tons to 28,600 tons, and the number of passengers is normally about 70,000 to 75,000 per annum. The improvement it is planned to undertake is the dredging of the harbor at a locality where the wharf facilities can be restored, it being impracticable to restore them in their old locality on account of the monuments erected during the celebration. This is a cooperative project, one half (\$51,000) being paid by the United States and the other half by the State of Massachusetts. The maintenance is nominal.

Mattituck Harbor: The commerce for 1921, 1,324 tons. Proposed expenditure, \$5,000. This is a small harbor on the north shore of Long Island, which is made use of by light-draft boats carrying oysters, clams, fruit, and vegetables. The average cost of maintenance for this harbor for the years 1918-1922, inclusive, was \$1,662.93. The present relatively large amount required is due to the fact that the harbor has not been properly maintained in the past few years.

St. Jones River, Del.: This is a small stream flowing southeasterly and emptying into Delaware Bay about 26 miles above Cape Henlopen. It is used by small boats carrying coal, grain, and vegetables. The use of the river has been limited by sharp bends and insufficient depth of channel. The amounts stated in the report as \$45,000 for improvement and \$5,000 for maintenance, which can be profitably used now, are those necessary to place the river in a suitable navigable condition. After the stream is once dredged the cost of maintenance should be small.

Channel, Thoroughfare Bay, Cedar Bay, N. C.: This is a small channel connecting two larger bodies of water, Core Sound and Pamlico Sound, and is used largely by small boats carrying fish and oysters. The existing project was completed in 1921. There have been no expenditures for maintenance during the past five years. The estimated annual cost of maintenance is \$300 after the channel has once reached a stable condition, and it is expected that the work which will be done with the allotment now contemplated will bring about this condition.

Channel, Apalachicola River, St. Andrews Bay, Fla.: This is a waterway approximately 36½ miles in length, extending from a point 6 miles above the mouth of the Apalachicola River in a northwesterly direction to St. Andrews Bay, Fla. The commerce passing through this channel for the calendar year 1921 was 3,422 tons, consisting of logs, general merchandise, and vegetables. The contemplated expenditures for 1924 are wholly for repairs to plant, which has been used in the maintenance of this improvement.

Clear Creek, Tex.: This is a small stream emptying into the west side of Upper Galveston Bay. It is used as a navigable waterway connection between the towns of Seabrook, Webster, League City, and Friendswood, and the cities of Houston and Galveston, and at times it is used as a means of distributing shell at the former places for the county highways and for railway ballast, but during the year 1921 the commerce consisted entirely of oysters, crabs, and fish, which were moved in small boats over the waterway. The average expenditure for maintenance during the five years 1918-1922 was \$2,000.

Umpqua River and Bay, Oreg.: The Umpqua River is the largest stream entering the Pacific Ocean between Sacramento and Columbia Rivers. It empties into the ocean about 180 miles south of the Columbia River and 465 miles north of San Francisco Bay. The country tributary to the Umpqua River produces a large amount of lumber; but the shipments by water have been impracticable, due to the fact that the depth over the bar was insufficient for deep-sea ships. The project for the improvement of this harbor was adopted by the river and harbor act of September 22, 1922, which provided that one-half of the cost of the project should be borne by local interests. Local interests have already undertaken their share of the work and have expended over \$200,000 toward the construction of the jetty authorized by the project. The commerce for the calendar year 1921 was only 3,456 tons, but this was due to the fact, as stated, that the depth on the bar was insufficient for the character of boats desiring to use the harbor. The expenditure proposed for 1923 is \$276,500, which is the total cost of the Government's share of the work.

Plattsburg Harbor, N. Y.: A harbor on the east side of Lake Champlain. Commerce for 1921, 3,951 tons. Proposed expenditure, \$1,000 for maintenance of old breakwater.

Port Wing Harbor, Wis.: Located on the south shore of Lake Superior, 34 miles east of Duluth. Commerce for 1921, 893 tons. Proposed expenditure, \$1,000 for maintenance.

Ontonagon Harbor, Mich.: Located on the south shore of Lake Superior, 136 miles east of Duluth and 274 miles west of Sault Ste. Marie. Commerce of 1921, 80 tons. Proposed expenditure, \$9,000 for maintenance, for dredging and repairs to the piers, which have been neglected and which are now in a bad state of decay, requiring extensive repairs to superstructure. This was formerly an important lum-

ber port, and unless it is to be entirely abandoned, which has not been authorized by Congress, the piers must be repaired from time to time in order to prevent their entire destruction and the closure of the harbor.

Grand Marais Harbor, Mich.: Located on the south shore of Lake Superior, 314 miles east of Duluth. Commerce for 1921, 40 tons. Proposed expenditure, \$15,000 for dredging and repairs to piers. This harbor is used as a harbor of refuge, and, during the year 1921, 17 vessels, with a net registered tonnage of 4,959 tons, entered the harbor for shelter. The depth entrance is insufficient to provide for larger vessels, otherwise it would probably be used to a much greater extent as a harbor of refuge by vessels. However, its availability, even in its present condition, results in a saving of life and property.

Zippel Bay, Lake of the Woods, Minn.: Zippel Bay is located on the southern shore of the Lake of the Woods, Minn. Tonnage for 1921, 1,258 tons. Proposed expenditure, \$2,000 for dredging. The harbor is used by small boats carrying miscellaneous merchandise, fish, vegetables, lumber, and transportation of passengers.

Cape Vincent Harbor, N. Y.: This harbor is located on the south shore of the St. Lawrence River, 2½ miles from Lake Ontario. Tonnage for 1921, 3,058 tons. Proposed expenditure, \$500. This expenditure is for general supervision and such minor surveys and examinations as may be necessary to keep track of the condition of the harbor.

Blackwater River, Va.: A small stream emptying into Albemarle Sound. Tonnage for 1921, 2,544 tons. Proposed expenditure, \$2,000 for the removal of obstructions to navigation in the shape of logs, snags, and other similar obstructions. The average expenditure for maintenance for the five years 1918 to 1922 was \$419.80. The commerce carried consists principally of peanuts, cotton, fertilizer, and general merchandise. The stream affords navigation facilities for a section of the country without other means of transportation.

Pamlico and Tar Rivers, N. C.: This stream affords a navigable channel at least 6 feet deep from Pamlico Sound to Greenville, N. C., a distance of 60 miles, and a natural channel, cleared of snags, for 27 miles farther. The commerce for this stream, stated in tabular statement prepared in the office of the Chief of Engineers, showing the amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year June 30, 1924, for maintenance and improvement of river and harbor works, and commerce for 1921 is in error in the amount of commerce stated, namely, 644 tons. This commerce for 1921 amounted to 145,772 tons, which was the least that had been in five years, with the exception of 1920, when it was 139,951 tons. The stream is an important commercial highway.

Contentnea Creek, N. C.: This is a small stream emptying into Neuse River about 32 miles above New Bern, N. C. It has been improved for a length of 63 miles, and it has been an important commercial stream and has had a material effect in the development of the country. It is still occasionally used. The proposed expenditure of \$1,500 is entirely for snagging, in order to prevent the stream from being entirely closed to commerce.

Savannah River above Augusta, Ga.: The portion of the Savannah River included in this improvement extends from Augusta upstream a distance of 45 miles. The project provides for light-draft navigation to permit of the carrying of cotton, food products, and lumber in small boats. The work consists in the removal of snags and loose rocks. The proposed expenditure is \$1,000. The average expenditure for the past five years has been (from 1918 to 1912, inclusive) \$768.10.

Kissimmee River, Fla.: A small stream emptying into Lake Okechobee. The commerce for 1921 was 2,215 tons. Proposed expenditure, \$5,000, for maintenance by a small amount of dredging. The stream affords a navigable waterway which facilitates the transportation of fruits and vegetables which are largely raised in the section of the country tributary to this stream. The small commerce has been due to the lack of a suitable channel, which has made the navigation difficult.

Holmes River, Fla.: A small stream in Alabama and Florida which empties in the Choctawhatchee River, Fla., about 27 miles above its mouth. Commerce for 1921 was 563 tons. Proposed expenditure, \$1,680, for snagging operations in the lower part of the river in order to permit of the utilization of the stream for such commerce as may desire to use it. The commerce carried during 1921 consisted of fertilizer carried upstream and resin and turpentine downstream. While the commerce is small, it is important to the community, and could not be carried on at all were it not for the small amount of snagging work proposed.

Boeuf River, La.: This river rises in Arkansas and flows in a general southwesterly direction, entering the Ouachita River 81 miles above the mouth of the Black River. The commerce for 1921 was 1,495 tons. Proposed expenditure, \$5,000, for snagging. The commerce consists of timber, farm products, and general merchandise carried in small boats. The snagging is necessary in order that the river may be navigated.

Bayou Bartholomew, La. and Ark.: This stream rises in Jefferson County, Ark., and enters the Ouachita River near Ouachita, La., 210 miles above the mouth of the Black River. The commerce for 1921 was 1,805 tons. Proposed expenditure, \$2,500, for snagging. The commerce consists of lumber, farm products, and general merchandise. The proposed work is necessary in order that the stream may not be entirely closed by snags.

Bayous D'Arbonne and Corney, La.: These streams combine and enter the Ouachita River, La., about 189 miles above the mouth of the Black River. Commerce for 1921 was 1,690 tons. Proposed expenditure, \$2,000, for snagging. The commerce consists of timber, farm products, and general merchandise. The commerce for 1921 was much less than in preceding years, due to the fact that sawmills located on the river were not in operation. The work proposed is snagging, which is necessary to prevent the stream becoming entirely closed to traffic.

Steele and Washington Bayous and Lake Washington, Miss.: These streams combine and enter the Yazoo River about 8 miles above its mouth. Tonnage for 1921 was 4,662 tons. Proposed expenditure, \$2,500, for snagging. The usual tonnage on these streams has ranged from 10,000 to 27,000 tons. The tonnage for 1921 was due to the falling off in operation of the sawmills. The proposed work is necessary in order to prevent the stream becoming entirely closed to commerce.

The total amount involved in all of the projects referred to above, which are all of the projects upon which it is proposed to expend any funds during 1924 which have tonnages of less than 5,000 tons each, amounts to \$137,180, except for the two projects, Plymouth Harbor, Mass., and Umpqua Bay and River, Oreg., on which the amounts are, respectively, \$51,000 and \$276,500, which are cooperative projects where

local interests are to pay one-half of the total costs and where, in the case of the Umpqua project, local interests have already proceeded with and practically completed their share of the work. The amount which it is proposed to expend by the United States is merely to meet the expenditures already made by local interests. Both of these projects, it should be noted also, were adopted by the September 22, 1922, act.

Mr. UNDERWOOD. Mr. President, I had this memorandum read because it gives the statement of the War Department in reference to the minor projects which have been assailed in connection with the discussion of the bill. It gives a full and complete explanation with regard to all the projects where less than 5,000 tons of freight were carried last year. The expenditures are very small, and the authorization has been made by the Congress.

Although I think the development of commerce lies along the great rivers, in large part, these smaller expenditures are on short rivers, in order to make it possible to reach the ports, so that commerce may get out to sea. They are improvements on small streams, in localities where there are no other facilities for transporting commerce, in the main.

As the Constitution of the United States gives the power to the Federal Government to look after the commerce of the people of the United States, I do not see any reason why a small fishing village may not have its commerce considered and an opportunity given to carry the product of its fishing industry out to sea by an expenditure of \$5,000, as much as a great port like New York should have its facilities improved by the expenditure of \$50,000,000, as sometimes happens.

So I do not think a project is to be condemned just because it is small. Of course the amount of the expenditure ought to be considered in connection with the amount of business actually done; but in reference to the small projects which have been castigated in this debate, the expenditures are very small, and those improvements will be of as great service proportionately to the people who get the advantage of them as those on the greater projects will be to the larger commerce of a larger port.

Without cutting off any debate, when the time comes I wish to make a motion to lay the pending amendment and the amendment thereto on the table. My purpose in doing that will be to bring directly before us the issue as to whether the Senate stands for the appropriation of the \$56,000,000 for river and harbor improvements, which was recommended by the engineers, or whether it does not.

Mr. FLETCHER rose.

Mr. WADSWORTH. Mr. President, does the Senator from Alabama intend to make but one motion to table, and that that motion shall carry both the amendment of the Senator from Idaho and the amendment of the Senator from Wisconsin?

Mr. UNDERWOOD. I am not making the motion in order to cut off debate, but debate will close in eight minutes, anyhow. I am not going to make the motion until the eight minutes are up, if anyone wants to take the floor. My only purpose is to bring forward the direct issue as to whether the United States Senate stands for the recommendation of the engineers or not.

Mr. WADSWORTH. So far as the Senate's vote on the motion which the Senator says he will make is concerned, there will be no direct issue left. Some Senators are in favor of an appropriation of \$27,000,000 and others are in favor of an appropriation of \$42,000,000. The Senator's motion will prevent them from voting for the amount of their choice.

Mr. UNDERWOOD. Some of them are in favor of \$56,000,000.

Mr. WADSWORTH. Surely.

Mr. UNDERWOOD. If the majority of the Senate is in favor of an appropriation of \$56,000,000, why should we delay the Senate by voting for other amounts?

Mr. WADSWORTH. The Senator has not told quite all the story. There are some Senators who might prefer \$56,000,000 to \$27,000,000, but would prefer \$42,000,000 to either. The Senator's motion will make it impossible for those Senators to vote that way. But I think a way will be found.

Mr. UNDERWOOD. I realize that; but I want to test the Senate to find out who is standing for \$56,000,000, the recommendation of the engineers.

Mr. WADSWORTH. Is there anything in the normal procedure which would fail to bring such a test?

Mr. UNDERWOOD. I do not know why we should vote on the different figures if we are going to find that a majority of the Senate is for the larger amount. If it is not, then we will have to determine between the other propositions. I bring the issue at the top of the ladder instead of the bottom, that is all. The Senator from New York wants me to start at the bottom of the ladder, but I want to start at the top.

Mr. WADSWORTH. No; if I had my choice I would start with \$42,000,000.

Mr. UNDERWOOD. I understand; but my purpose is to bring the direct issue before the Senate as to whether the Senate stands for \$56,000,000, the amount recommended by the engineers and carried in the bill by the House and reported by the committee to the Senate.

Mr. LENROOT. Then a vote in favor of the Senator's motion will mean that the Senator casting the vote stands for the appropriation of \$56,000,000?

Mr. UNDERWOOD. Undoubtedly. I think that is a fair presentation of the case. I ask that that motion may be pending, or that I may have an opportunity to make it when 4 o'clock arrives. I do not want to cut off the Senator from Florida.

Mr. FLETCHER. I wanted to say just a word.

Mr. UNDERWOOD. I will yield to the Senator until one minute before 4, if he will allow me to take the floor then to make the motion.

Mr. FLETCHER. Mr. President, I have just noticed an observation made by the Senator from Wisconsin [Mr. LENROOT], on yesterday at page 3200 of the CONGRESSIONAL RECORD. In the course of his remarks he said:

There is a river in Florida, the name of which I can not pronounce, upon which it is proposed to expend \$90,000, as I read it, for maintenance, upon which 5,000 tons of commerce were carried last year.

The Senator is entirely mistaken as to the location of the river. What he had in mind, as shown by the hearings and the list of projects to be taken care of by the engineers, was undoubtedly the Chattahoochee River, where it is proposed to expend that amount for maintenance. In volume 1, part 1, of the report of the Chief of Engineers, page 866, the Chattahoochee River is described as follows:

The Chattahoochee River rises in the north central part of the State of Georgia and flows in a southwesterly direction to West Point and thence in a southerly direction to join with the Flint at the southwest corner of the State of Georgia, forming the Apalachicola River.

After it gets into Florida, there the combination of the Chattahoochee and the Flint make the Apalachicola, but the Chattahoochee River is the river to which the Senator referred, and the Report of the Chief of Engineers shows precisely what the proposed operation will be, and shows the reason for this recommendation. The amount of commerce was comparatively small last year because one of the boats was destroyed by fire and they have not been able to replace it, and the tonnage is comparatively small, but it is a very valuable tonnage. It is composed of cotton, fertilizer, grain, and naval stores. The river is a navigable stream. The depth of water is, of course, not very great, 3 or 4 feet, and the commerce is carried largely by packet boats. It is proposed to apply this money for the following purposes:

For dredging operations between Columbus, Ga., and Eufaula, Ala., \$30,000, using the U. S. dredge *Muscogee*; for repairs to, extension, and construction of jetties, \$30,000; for snagging operations from Columbus, Ga., to the mouth, \$15,000; for the construction of two new steel barges, one steel hull quarterboat, and one inspection launch, \$28,000; for minor repairs to plant, \$5,000; for care of idle plant, \$5,000; and for overhead expenses and superintendence, \$12,000. The above covers \$35,000 for new work and \$90,000 for maintenance.

That is the project on the Chattahoochee River, to which the Senator referred. It does not touch Florida at all. Besides that, the report says:

While the amount required for maintenance is \$60,259.02 greater than the average amount expended for maintenance during the preceding five years, this may be explained by the fact that appropriations for the past several years have been so small that maintenance operations could not be kept up to date. The plant has deteriorated to such an extent that extensive replacements are necessary.

That accounts for the large amount of maintenance in that item.

Mr. UNDERWOOD. Mr. President, I now move that the pending amendment and the amendment thereto be laid on the table. Pending that motion, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Curtis	Harris	McCormick
Bayard	Dial	Heflin	McCumber
Borah	Dillingham	Hitchcock	McKellar
Brookhart	Ernst	Johnson	McKinley
Broussard	Fernald	Jones, N. Mex.	McNary
Bursum	Fletcher	Jones, Wash.	Moses
Calder	France	Kendrick	Myers
Cameron	Frelinghuysen	Keyes	Nelson
Capper	George	King	New
Caraway	Gerry	Ladd	Nicholson
Colt	Glass	La Follette	Norbeck
Couzens	Gooding	Lenroot	Norris
Culberson	Harrell	Lodge	Oddie

Overman	Robinson	Sterling	Walsh, Mont.
Page	Sheppard	Sutherland	Warren
Pepper	Shields	Swanson	Watson
Pittman	Shortridge	Townsend	Weller
Poinexter	Smoot	Trammell	Williams
Pomerene	Spencer	Underwood	Willis
Ransdell	Stanfield	Wadsworth	
Reed, Pa.	Stanley	Walsh, Mass.	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Alabama [Mr. UNDERWOOD] to lay on the table the amendment of the Senator from Idaho [Mr. BORAH] and the amendment thereto offered by the Senator from Wisconsin [Mr. LENROOT].

Mr. UNDERWOOD. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. DIAL (when his name was called). I am paired with the Senator from Colorado [Mr. PHIPPS]. I transfer that pair to the Senator from Missouri [Mr. REED] and vote "yea."

Mr. LADD (when his name was called). On this question I am paired with the junior Senator from Mississippi [Mr. HARRISON], who is necessarily absent. I therefore withhold my vote.

Mr. SHIELDS (when the name of Mr. REED of Missouri was called). The Senator from Missouri [Mr. REED] is necessarily absent on account of the death of his law partner, J. G. L. Harvey. If the Senator from Missouri were present, he would vote "yea."

Mr. SHIELDS (when his name was called). I have a general pair with the Senator from Maine [Mr. HALE], who is absent on account of illness. I transfer that pair to the senior Senator from North Carolina [Mr. SIMMONS] and vote "yea."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Iowa [Mr. CUMMINS] and vote "nay."

The roll call was concluded.

Mr. FLETCHER (after having voted in the affirmative). I transfer my pair with the senior Senator from Delaware [Mr. BALL] to the junior Senator from Minnesota [Mr. KELLOGG] and allow my vote to stand.

Mr. CURTIS. I wish to announce that the Senator from New Jersey [Mr. EDGE] has a general pair with the Senator from Oklahoma [Mr. OWEN].

Mr. GERRY. I wish to announce that the junior Senator from Mississippi [Mr. HARRISON] is necessarily absent. If present, he would vote "yea" on this question.

The result was announced—yeas 46, nays 35, as follows:

YEAS—46.

Bayard	France	McNary	Shortridge
Broussard	Frelinghuysen	Nelson	Spencer
Bursum	George	Oddie	Stanfield
Calder	Gerry	Overman	Stanley
Cameron	Glass	Pepper	Sutherland
Caraway	Gooding	Pittman	Swanson
Colt	Harris	Pomerene	Trammell
Culberson	Heflin	Ransdell	Underwood
Dial	Johnson	Reed, Pa.	Walsh, Mass.
Ernst	Jones, Wash.	Robinson	Williams
Fernald	Kendrick	Sheppard	
Fletcher	McKellar	Shields	

NAYS—35.

Ashurst	Jones, N. Mex.	Moses	Sterling
Borah	Keyes	Myers	Townsend
Brookhart	King	New	Wadsworth
Capper	La Follette	Nicholson	Walsh, Mont.
Couzens	Lenroot	Norbeck	Warren
Curtis	Lodge	Norris	Watson
Dillingham	McCormick	Page	Weller
Harrell	McCumber	Poinexter	Willis
Hitchcock	McKinley	Smoot	

NOT VOTING—15.

Ball	Elkins	Ladd	Reed, Mo.
Brandegee	Hale	McLean	Simmons
Cummins	Harrison	Owen	Smith
Edge	Kellogg	Phipps	

So Mr. BORAH's amendment and Mr. LENROOT's amendment to the amendment were laid on the table.

Mr. WADSWORTH. Mr. President, I move, in line 12, page 106, to strike out the numerals "\$56,589,910" and to insert "\$50,000,000."

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from New York.

Mr. WADSWORTH, Mr. SMOOT, and Mr. FLETCHER asked for the yeas and nays, and they were ordered.

The reading clerk proceeded to call the roll.

Mr. DIAL (when his name was called). Making the same announcement as to my pair and its transfer as on the former ballot, I vote "nay."

Mr. SHIELDS (when his name was called). Making the same transfer of my pair as on the former vote, I vote "nay."

Mr. STERLING (when his name was called). Making the same announcement as to my pair and its transfer as on the last vote, I vote "yea."

The roll call was concluded.

Mr. FLETCHER (after having voted in the negative). I have a general pair with the Senator from Delaware [Mr. BALL] who is absent. I transfer that pair to the junior Senator from Minnesota [Mr. KELLOGG] and allow my vote to stand.

Mr. LADD. I transfer my pair with the Senator from Mississippi [Mr. HARRISON] to the Senator from Connecticut [Mr. BRANDEGEE], and vote "yea."

Mr. GERRY. I desire to announce that the Senator from Mississippi [Mr. HARRISON], the transfer of whose pair has just been announced by the Senator from North Dakota [Mr. LADD], is necessarily absent. If present the Senator from Mississippi would vote "nay."

The result was announced—yeas 38, nays 44, as follows:

YEAS—38.

Ashurst	Jones, N. Mex.	Moses	Townsend
Borah	Kendrick	Myers	Wadsworth
Brookhart	Keyes	New	Walsh, Mass.
Calder	King	Nicholson	Walsh, Mont.
Capper	Ladd	Norbeck	Warren
Curtis	La Follette	Norris	Watson
Dillingham	Lenroot	Page	Weller
Fernald	Lodge	Poinexter	Willis
Harrell	McCormick	Smoot	
Hitchcock	McCumber	Sterling	

NAYS—44.

Bayard	France	McKinley	Sheppard
Broussard	Frelinghuysen	McNary	Shields
Bursum	George	Nelson	Shortridge
Cameron	Gerry	Oddie	Spencer
Caraway	Glass	Overman	Stanfield
Colt	Gooding	Pepper	Stanley
Couzens	Harris	Pittman	Sutherland
Culberson	Heflin	Pomerene	Swanson
Dial	Johnson	Ransdell	Trammell
Ernst	Jones, Wash.	Reed, Pa.	Underwood
Fletcher	McKellar	Robinson	Williams

NOT VOTING—14.

Ball	Elkins	McLean	Simmons
Brandegee	Hale	Owen	Smith
Cummins	Harrison	Phipps	
Edge	Kellogg	Reed, Mo.	

So Mr. WADSWORTH's amendment was rejected.

Mr. WADSWORTH. Mr. President, I do not desire to offer an amendment to this particular section, but I have an amendment to offer to another title of the bill, although it relates to river and harbor work. I am not certain whether the unanimous-consent agreement made on yesterday would prohibit my explaining the amendment or not, if, indeed, an explanation is desired. However, I will offer the amendment at this time.

Mr. UNDERWOOD. I have no doubt the Senator from New York can obtain unanimous consent to explain his amendment for a reasonable time.

Mr. BORAH. Does the Senator's amendment propose to increase or decrease the appropriation?

Mr. WADSWORTH. It makes no change in that respect.

The VICE PRESIDENT. The amendment proposed by the Senator from New York will be stated.

The ASSISTANT SECRETARY. On page 22, line 9, after the numerals "\$1,000,000," it is proposed to insert the following proviso:

Provided, That hereafter when in the opinion of the Secretary of War the change of station of an officer of the Corps of Engineers is primarily in the interest of river and harbor improvements, the mileage and other allowances to which he may be entitled incident to such change of station may be paid from appropriations for such improvements.

Mr. WADSWORTH. I think the amendment almost explains itself. The amendment is offered to the title "Mileage of the Army," on page 22. Under the amendment if the Chief of Engineers, with the approval of the Secretary of War, desired to transfer a district engineer, for example, from the South Atlantic district to the Pacific coast and put him to work on a project out there for which he was especially fitted, and the work related solely to a river and harbor improvement, that officer's mileage and transportation allowances could be charged against the appropriation for rivers and harbors rather than being taken out of the appropriation for mileage of the Army. The whole thing would amount to only about \$4,000 or \$5,000 a year.

Mr. FLETCHER. Mr. President, if I may ask the Senator from New York a question I desire to say that I think the amendment is not worded quite properly. The amendment, I think, refers to the transfer being principally in the interest of river and harbor improvements. I desire to amend the amendment so that it shall read "solely in the interest of river and harbor improvements."

Mr. WADSWORTH. The word used in the amendment is "primarily."

Mr. FLETCHER. I think the word should be "solely," and I suggest that amendment.

Mr. WADSWORTH. The difficulty in connection with that suggestion, as I understand it—although I am not certain that I would oppose the suggestion of the Senator from Florida—is that an Engineer officer while assigned to river and harbor work perhaps for one hour in a month might be required to fill out some blanks or make some kind of return to the War Department which did not relate to river and harbor work but that had to do with his status as an officer in the Regular Army; and if we put in the word "solely" it would, I fear, make the amendment quite useless. I think the word "primarily" covers it, and we can trust the Secretary of War to see that it is properly administered. In any event the officer has to be paid, and the question is, Shall he be paid mileage and transportation allowances out of the appropriation "Mileage of the Army" or out of the river and harbor appropriation? I believe in making river and harbor appropriations stand on their own feet.

Mr. WILLIAMS. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Mississippi?

Mr. WADSWORTH. I yield.

Mr. WILLIAMS. An officer's mileage and transportation allowances are generally carried, if I am not mistaken, in the military appropriation bill. Is that true?

Mr. SMOOT. Yes.

Mr. WILLIAMS. Then, I see no reason why an officer's mileage and transportation when he is engaged in river and harbor work should not continue to be carried in the military appropriation bill, just as when he is doing any other character of work to which he might possibly be detailed. This can not mean anything except a thrust at the river and harbor bill; that is all.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. BORAH. Mr. President, I am not desiring to present an amendment or anything of that kind, but there is an item in the bill concerning which I should like to have some information. I have a letter here which, perhaps, has been called to the attention of the Senator from New York with reference to the work which the War Department is doing in the way of ferreting out crimes and criminals, and so forth. This letter is under date of October 16, 1922. It is written by W. D. Long, first lieutenant, Seventh United States Infantry, intelligence officer. It says:

DEAR SIR: The intelligence service of the Army has for its primary purpose the surveillance of all organizations or elements hostile or potentially hostile to the Government of this country, or who seek to overthrow the Government by violence.

Then there is another paragraph, explanatory also:

Not only are we interested in these organizations because they have as their object the overthrow of the Government but also because they attempt to undermine and subvert the loyalty of our soldiers.

With the few scattered military posts in this part of the country, it is obviously impossible to cover all points as thoroughly as they should be, hence it is necessary in many cases to trust to the cooperation of law-enforcement officers whose duties and whose knowledge of a particular locality give them a thorough insight into such matters.

What I desire to ask the Senator from New York is: Under what authority of law is this work carried on?

Mr. WADSWORTH. Mr. President, that work is not carried on. The officer who wrote that letter completely misstated the case.

Mr. BORAH. I am glad to know that. I did not know what the facts were.

Mr. WADSWORTH. The thing is very important, and I think we might as well get a clear understanding of it now. The young officer out at Vancouver Barracks was apparently carried away by his enthusiasm, for he certainly has described a state of affairs which does not exist and has not existed since the close of the World War.

In that connection I desire to have put in the RECORD a letter addressed by the Secretary of War to Mr. Samuel Gompers, under date of January 30, together with another letter addressed by the Secretary of War to Mr. W. G. Lee. Mr. Gompers, of course, is the president of the American Federation of Labor, and Mr. Lee is the president of the Brotherhood of Railroad Trainmen. I think it would be well if the letter to Mr. Gompers were read to the Senate now. The letter to Mr. Lee, being practically the same, need not be read; and following that I am going to ask to have put into the RECORD a statement as to just what the Military Intelligence Division does. The first letter I should like to have read.

The VICE PRESIDENT. Without objection, the letter will be read.

The reading clerk read as follows:

WAR DEPARTMENT,
Washington, January 30, 1923.

Mr. SAMUEL GOMPERS,
President American Federation of Labor,
901 Massachusetts Avenue NW., Washington, D. C.

DEAR MR. GOMPERS: It was recently brought to my attention that a young intelligence officer at Vancouver Barracks, Wash., had sent out a circular letter to law-enforcement officials in the vicinity of that post. In this letter it is intimated that the intelligence service of the Army is interested in the American Federation of Labor as an element potentially hostile to the Government of this country. I have since learned that this letter has been printed on page 122 of The Nation of January 31, 1923.

The Military Intelligence Division does not conduct in time of peace any investigations of the nature indicated by the above-mentioned officer. I am sure you will agree with me that the utterly ridiculous assertion that the American Federation of Labor should be considered as an organization having as its object the overthrow of the Government should not even be accorded the dignity of a denial. I have directed a thorough investigation of this matter and propose to apply such corrective and disciplinary measures as may prove to be merited.

I sincerely regret this incident and hope that you will attach to it only the importance which should be given to the thoughtless and immature action of a young man whose enthusiasm has completely dwarfed his judgment and discretion.

Yours very truly,

JOHN W. WEEKS, Secretary of War.

Mr. WADSWORTH. I ask to have the other letter and statement printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it will be so ordered.

The matter referred to is as follows:

WAR DEPARTMENT,
Washington, January 30, 1923.

Mr. W. G. LEE,
President Brotherhood of Railroad Trainmen, Cleveland, Ohio.

DEAR MR. LEE: It has recently come to my attention that the intelligence officer at Vancouver Barracks, Wash., has sent out a circular letter to law-enforcement officials of local communities, intimating that the Military Intelligence Division of the Army is interested in the railroad brotherhoods as elements potentially hostile to the purposes of this Government. This letter was printed on page 122 of the Nation, January 31, 1923.

The Military Intelligence Division conducts no investigations in time of peace of the nature indicated in this young officer's letter. I feel assured that you will agree with me that his assertions are so absurd that the War Department should not accord the dignity of a denial to the suggestion that organized labor is looked upon as a hostile organization. I have directed a thorough investigation of the matter and shall apply such corrective and disciplinary measures as may prove warranted.

I sincerely regret this incident and trust that you will look upon it only as the immature action of a young man whose enthusiasm has completely dwarfed his judgment.

Yours very truly,

JOHN W. WEEKS,
Secretary of War.

STATEMENT OF SECRETARY OF WAR GIVEN TO PRESS ON INCIDENT AT VANCOUVER BARRACKS, WASH.

It having recently come to the attention of the Secretary of War that the unauthorized activities of subordinate officers have in a few isolated instances occasioned the possibility of a public misunderstanding of the proper function of military intelligence in time of peace, he has directed the publication of the following statement:

The surveillance of domestic organizations or groups is not at all the purpose of the Military Intelligence Division, the authorized activities of which are clearly set forth in Army Regulations, 10-15, as follows:

"The Military Intelligence Division is charged, in general, with those duties of the War Department General Staff which relate to the collection, evaluation, and dissemination of military information.

"The Military Intelligence Division is specifically charged with the preparation of plans and policies and the supervision of all activities concerning—

- "(1) Military topographical surveys and maps.
- "(2) The custody of the General Staff map and photograph collection.
- "(3) Military attachés, observers, and foreign-language students.
- "(4) Intelligence personnel of all units.
- "(5) Liaison with other intelligence agencies of the Government and with duly accredited foreign military attachés and missions.
- "(6) Codes and ciphers.
- "(7) Translations.
- "(8) Relations with the press.
- "(9) Censorship in time of war."

During the World War our widespread military interests necessitated special measures which resulted in authority being given for the Military Intelligence Division to conduct investigations of far-reaching character. During the period of demobilization and contraction of the Military Establishment to a normal peace-time basis activities of this nature were transferred as rapidly as seemed practicable to the proper civil agencies.

Not only have the instructions which were in effect for the operation of the military intelligence service during the war and shortly thereafter been rescinded, but repeatedly since that time instructions have been issued emphasizing the fact that the military authorities are expressly prohibited from making investigations in time of peace other than within the Military Establishment.

The following paragraphs quoted from the above-mentioned instructions indicate the intention of the War Department:

"At certain posts and stations along the coasts and frontiers where information in connection with actual or theoretical plans of defense is required, the necessity for intelligence officers is clear. It is also

necessary to appoint the intelligence officers prescribed by the tables of organization and to employ them in training their personnel in combat intelligence. But it is no longer necessary to have intelligence officers at all posts and stations in the United States, as the conditions requiring their employment have long ceased to exist.

"With the foregoing in mind, a corps area commander will appreciate the necessity for giving his personal attention to seeing that his staff are correctly oriented as to intelligence work in general and as to its extremely limited application to domestic affairs. It is a case of not only revoking obsolete orders and instructions but of guiding such intelligence officers as are retained to a correct mental conception of the duties of military intelligence within the United States."

Mr. BORAH. Mr. President, as I understand the matter now, no such work is being done?

Mr. WADSWORTH. None at all.

Mr. BORAH. With reference to the American Federation of Labor or any other organization?

Mr. WADSWORTH. Or any other.

I think, Mr. President, in order that that matter may be made perfectly clear, that I ought to read a few very short paragraphs from a statement issued by the Secretary of War on this incident:

It having recently come to the attention of the Secretary of War that the unauthorized activities of subordinate officers have in a few isolated instances occasioned the possibility of a public misunderstanding of the proper function of military intelligence in time of peace, he has directed the publication of the following statement:

The surveillance of domestic organizations or groups is not at all the purpose of the Military Intelligence Division, the authorized activities of which are clearly set forth in Army Regulations, 10-15, as follows:

"The Military Intelligence Division is charged, in general, with those duties of the War Department General Staff which relate to the collection, evaluation, and dissemination of military information.

"The Military Intelligence Division is specifically charged with the preparation of plans and policies and the supervision of all activities concerning:

- "(1) Military topographical surveys and maps.
- "(2) The custody of the General Staff map and photograph collection.
- "(3) Military attachés, observers, and foreign-language students.
- "(4) Intelligence personnel of all units.
- "(5) Liaison with other intelligence agencies of the Government and with duly accredited foreign military attachés and missions.
- "(6) Codes and ciphers.
- "(7) Translations.
- "(8) Relations with the press.
- "(9) Censorship in time of war."

That covers all the duties of military intelligence in time of peace.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. WADSWORTH. Mr. President, I happen to know of some other amendments which Senators desire to offer. I hope they can arrange to offer them now. To-morrow we are to have a discussion on at least two amendments the proposers of which, I understand, are not ready to discuss them this afternoon.

Mr. HARRELD. Mr. President, I send to the desk an amendment which I desire to offer.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On line 15, page 38, after the word "hospital," it is proposed to add the words:

and \$20,000 to build a heating plant for that part of the fort used by the School of Fire.

Mr. HARRELD. Mr. President, this amendment proposes to reinsert in the bill an appropriation which was recommended by the Bureau of the Budget. Within the last year the several schools of fire, so-called, that were located at various forts in the United States have been consolidated at Fort Sill, Okla., and they are occupying a part of the barracks there. It is a very important function of the War Department. I visited the fort myself some time ago and visited this department. The buildings in which the School of Fire is conducted are not equipped with steam heat. They are heated by stoves, and the danger of fire is enormous. If a fire were to occur in those buildings to-day, the loss to the United States would be a million dollars or more, and yet they are there in this exposed condition. The Budget Bureau, realizing this, recommended that \$20,000 be appropriated to put in a heating plant by which these buildings could be heated by steam, but, for some reason, the House saw fit to leave it out and the Senate likewise. My amendment proposes to reinsert that item in the bill.

By way of explanation, I may say that the School of Fire trains mechanics so that they may keep the airplanes in condition in time of war, keep the automobiles in condition in time of war, keep the cannon and mountings of the cannon in condition, and so forth. It trains men in those particular lines of a technical character. In order to train those men they have a lot of high-priced equipment, a lot of high-priced tools, a lot of high-priced machinery, which they tear down and rebuild in teaching these boys how to manipulate machinery and handle machinery and repair machinery. This is a very neces-

sary adjunct of the War Department; and it is to avoid any possibility of loss by reason of fire that I am urging that this amendment be adopted.

I offer the amendment and ask for its adoption.

Mr. WADSWORTH. Mr. President, it is true, as the Senator from Oklahoma says, that this item was contained in the Budget estimate and that it was left out by the House and left out by the Senate Committee on Appropriations. There is no doubt that this item and about seven others looking toward providing for new construction or new equipment at various Army stations and forts are desirable. The committee, in calculating the total of the bill and in examining a considerable number of new construction projects suggested by the Budget estimate, made up its mind that it could not possibly adopt them all and ask the Senate to pass the bill with such largely increased totals; so this item for the heating system at Fort Sill, as well as an item for continuing construction at Fort Sam Houston, an item for new construction at Fort Myer, Va., across the river here, half a dozen items for new construction at Hawaii, and two or three items for new construction in Panama have been necessarily left out. As I said upon a former occasion, the bill has been turned lopsided by the vast increase in the river and harbor appropriation; and that increase, in the judgment of the committee, makes impossible for the time being the granting of these new construction projects in the Army itself.

Mr. HARRELD. Mr. President, may I ask the Senator a question?

Mr. WADSWORTH. Certainly.

Mr. HARRELD. Are any of the other things that the Senator mentions in imminent danger of fire, as the buildings of this School of Fire are?

Mr. WADSWORTH. Yes, Mr. President; in several ways the Government is in grave danger of losing property, either by absolute destruction or by deterioration. For example, in the Hawaiian Islands we have \$7,000,000 worth of stores lying mostly in the open, covered by tarpaulins or temporary shack-like sheds, exposed in a tropical climate. Last year we appropriated for six storehouses. They have been built. This bill carries an appropriation for six more. The department wanted 18 more. We simply have not the money. At Panama there is grave need for storage to shelter Army property in connection with the Panama defenses. At one side of the Isthmus there is no storage, and the Government property is wasted in constantly being transported across the Isthmus for use at both ends of the line. At Camp Eustis, Va., we have a regiment of Infantry living in the war-time cantonments, run up with matches and glue. The Senator knows what they are like—probably the same type of buildings in which this School of Fire is housed at Fort Sill.

Mr. HARRELD. No; the buildings are all right there.

Mr. WADSWORTH. The buildings at Camp Eustis are of the typical cantonment type. If they catch fire, and there is any wind blowing, the whole thing will go, and the whole regiment will be out of shelter, and probably most of its equipment will be lost.

The Fort Myer project was to take care of that situation for building permanent quarters at Fort Myer, but the committee thought we could not allow all these requests. Every one of them is desirable. The request made by the Senator is absolutely reasonable, but when we got the bill up to the point where it was \$21,000,000 above the Budget estimate the committee was forced to make up its mind to refuse some of them.

Mr. HARRELD. I would like to ask the Senator if he does not think that is poor business?

Mr. WADSWORTH. I think it is poor business.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. KING. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 106, line 12, after the numerals "\$56,589,910" and before the period, insert the following proviso:

Provided, That no part of that sum shall be expended for improvements on the Missouri River between St. Louis and Kansas City, Mo.

Mr. KING. Mr. President—

Mr. WADSWORTH. Is debate in order?

The VICE PRESIDENT. Debate is not in order on the river and harbor item. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was rejected.

Mr. WADSWORTH. I ask unanimous consent that when the Senate finishes its business this afternoon it recess until 12 o'clock to-morrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. KING. Mr. President, I send to the desk and ask the Secretary to read the notice of an amendment of the rules which I send to the desk.

The VICE PRESIDENT. The Secretary will read the notice. The reading clerk read as follows:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate I hereby give notice in writing that I will move to suspend paragraph 3 of Rule XVI for the purpose of offering to the Army appropriation bill (H. R. 13793) the following amendment:

At the proper place insert the following: "That the President is authorized and requested to invite the Governments with which the United States has diplomatic relations to appoint representatives to a conference to be held in the city of Washington, which shall be charged with the consideration of the causes and purposes of present military and naval expenditures, and the formulation of measures for the reduction of land and naval armaments, for the improvement of industry and commerce, the assurance of public order, and the promotion of peace throughout the world."

Mr. STERLING. I offer the following amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 10, line 5, after the word "each," strike out all down to and including the word "regulations," in line 9 on said page.

Mr. STERLING. The language proposed to be stricken out by this amendment is as follows:

Provided further, That hereafter civilians employed in the hostess and library services and paid from the appropriation for military post exchanges may be appointed by the Secretary of War without reference to civil-service rules and regulations.

I see no reason why these civilian employees, though connected with the Army service, should not be required to come under the civil-service rules. It would seem quite appropriate, indeed, that librarians, those who have the handling of the libraries at these posts, should be qualified, and their qualifications and fitness tested by open competitive examinations, the same as other civilian employees of the Government.

I want to say further that if in the case of any hostess at any post it is desirable that the civil-service rules relative to competitive examinations be waived, the President has the authority under the civil service law to waive the rules and make the appointment notwithstanding. There is no need that I can see of exempting either of these positions from the civil-service rules. I want to say that a like paragraph in the last Army appropriation bill contained no provision exempting these particular classes of employees from civil-service examinations, and I see no reason why this bill should contain an exemption clause. I think the proviso should be stricken out.

Mr. WADSWORTH. Mr. President, I hope the motion of the Senator from South Dakota will not prevail. The employees in the hostess houses of the Army, so called, who are very few in number, and the librarians, are women, I think all of them women who accompanied troops during the war with Germany and engaged in the so-called welfare activities. They are experienced along these lines. The character of work which they have to do in Army posts and camps in running the hostess houses, which are the equivalent of clubs, at which the relatives and visitors of the soldiers may be received and made comfortable, and in the libraries where the soldiers come and go, taking out books, and where they are guided somewhat in their reading, is unlike the work done by anybody else among the civilian employees of the Government. I doubt if any civil-service examination could possibly determine whether an applicant for such a place was fit.

These women are very carefully selected from among those who have had this experience. I think there are only 30 of them left. If there are any more than that, it is very few. I do not believe civil service should apply to them. It has not applied in the past. The examinations which they have had to take have been made up by the supervisor of the service under the approval, of course, of the commanding officers and the Secretary of War. The thing has been running beautifully, and there has not been a complaint against it. These women have performed a splendid service. They are highly respected by the officers and enlisted men with whom they come in contact every day, and I can see no reason for subjecting this little service to the rules and regulations of the National Civil Service Commission.

Mr. STERLING. Mr. President, just a word in reply. I think the Civil Service Commission itself would be very well qualified to ascertain the duties and responsibilities of even hostesses at these various posts, and could frame examination questions accordingly and apply civil-service rules accordingly.

With reference to that, if it is thought desirable that any one of these hostesses, or all of them, should be exempt from civil-service examination, the President of the United States can waive the civil-service rules which would require such an examination. He is expressly authorized to do that. But it seems to me that there are good reasons for requiring the librarians to take the examinations. A man who is to take the place of a librarian ought to know something about books, about handling books, about the needs and tastes of those who call for books. He ought to be something of a guide and a director to those who seek to avail themselves of the libraries. I think this amendment ought to prevail. Where there is no good reason for the exemption, I do not like to see the civil-service requirements set aside. Wherever there are civilian employees, unless good reasons are shown to the contrary, those employees ought to be subject to civil-service rules. I hope the amendment will prevail.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. McKELLAR. Mr. President, on page 3, line 1, I move to strike out "\$840" and to insert in lieu thereof "\$1,140," in order to equalize the salaries of these employees with the salaries paid similar employees in the Navy Department. I believe I understood the Senator from New York to say he has no objection to the amendment. I will ask the Secretary to report the amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 3, line 1, after the words "13 telephone switchboard operators, at," strike out "\$840" and insert in lieu thereof "\$1,140."

Mr. SMOOT. I do not think that should be adopted as an amendment to this bill.

Mr. WADSWORTH. I assured the Senator from Tennessee that I would not raise the point of order, for this reason, that we have an intolerable situation in the joint telephone exchange of the War and Navy Departments. The telephone operators working for the Navy Department and sitting at the same switchboards alongside the War Department operators are paid, as I recollect, about \$400 or \$500 a year more than the War Department operators.

Mr. McKELLAR. Three hundred dollars more. The War Department operators are paid \$840, while the Navy Department operators are paid \$1,140.

Mr. WADSWORTH. I overstated it. It is \$300 more.

Mr. McKELLAR. I understand that in the reclassification this matter will be taken care of, and I suggest that we make the salaries the same this year, and let the committee handling the reclassification determine what is a fair salary.

Mr. SMOOT. Mr. President, there are a great many switchboard operators drawing \$840 a year. That matter will be regulated as soon as the reclassification bill is enacted into law, which I expect will be the case before the close of the present session of Congress. In fact, I am quite sure it will pass. Therefore I make the point of order against the amendment.

The VICE PRESIDENT. The point of order is well taken.

Mr. McKELLAR. I wish to give notice of a motion to suspend the rules and reoffer the amendment to-morrow.

The VICE PRESIDENT. The notice will be read.

The Assistant Secretary read as follows:

Pursuant to rule 40 of the standing rules of the Senate, I hereby give notice that I shall move to suspend paragraph 3 of rule 16, for the purpose of proposing to H. R. 13793 the following amendment: On page 3, line 1, to strike out "\$840" and insert "\$1,140."

Mr. BROOKHART. Mr. President, on page 73, line 20, I move to strike out the numerals "\$100" and to insert in lieu thereof "\$40,000."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 73, line 30, under the heading of "Ordnance equipment for rifle ranges for civilian instruction," the Senator from Iowa proposes to strike out "\$100" and in lieu thereof to insert "\$40,000."

Mr. JONES of Washington. Mr. President, I wish to state to the Senator that the committee took care of the rifle-practice proposition and went, I thought, considerably above the Budget estimate. On the trophy matter we also raised the amount, because of the information which the Senator gave before the committee. But the proposition now presented by the Senator has not been estimated for and was not reported by the committee. I think the committee feel that the amount should not be increased. I am constrained, therefore, to make a point of order against the amendment on the ground that it was not estimated for and not reported by a standing committee.

The VICE PRESIDENT. The point of order is well taken.

EXECUTIVE SESSION.

Mr. WADSWORTH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 20 minutes spent in executive session the doors were reopened.

FRED G. LEITH.

Mr. GERRY. From the Committee on Naval Affairs I report back favorably without amendment the bill (H. R. 855) for the relief of Fred G. Leith, United States Navy, and I submit a report (No. 1116) thereon. I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER (Mr. Moses in the chair). Is there objection?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the service rendered by Fred G. Leith, United States Navy, in the Army of the United States during the World War shall be considered as if rendered in the Navy of the United States for all purposes connected with continuous service in the Navy of the United States, and that the Secretary of the Navy be, and he is hereby, authorized and directed to cause the records of the said Fred G. Leith in the Navy Department to be corrected to conform with this authorization, to the end that the said Fred G. Leith shall be entitled to all pay, benefits, and emoluments conferred by law or regulation for continuous service in the Navy of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LANDS IN SISKIYOU COUNTY, CALIF.

Mr. SHORTRIDGE. I ask unanimous consent for the present consideration of the bill (S. 3892) authorizing the State of California to bring suit against the United States to determine title to certain lands in Siskiyou County, Calif.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

The amendments were, on page 1, line 3, after the word "That," to strike out "in any suit" and insert "consent is hereby given that a suit or suits may be"; and on page 2, at the end of line 11, after the numerals "1905," to insert "and in any such suit," so as to make the bill read:

Be it enacted, etc., That consent is hereby given that a suit or suits may be instituted by or in behalf of the State of California in the Supreme Court of the United States to determine the right, title, and interest of such State to certain lands in Siskiyou County, Calif., alleged to have been ceded by such State to the United States by act of the Legislature of the State of California entitled "An act authorizing the United States Government to lower the water levels of any or all of the following lakes: Lower or Little Klamath Lake, Tule or Rhett Lake, Goose Lake, and Clear Lake, situated in Siskiyou and Modoc Counties, and to use any part or all of the beds of said lakes for the storage of water in connection with the irrigation and reclamation operations conducted by the Reclamation Service of the United States; also ceding to the United States all the right, title, interest, or claim of the State of California to any lands uncovered by the lowering of the water levels of any or all of said lakes not already disposed of by the State," approved February 3, 1905, and in any such suit the right, title, and interest of such State and of the United States may be fully tested and determined if the Secretary of the Interior is made a party to such suit.

Upon the request of such Secretary the Attorney General of the United States is authorized and directed to defend the right, title, and interest of the United States to such land or any part thereof.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECESS.

Mr. JONES of Washington. I move that the Senate take a recess in accordance with the unanimous-consent agreement.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Friday, February 9, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate February 8 (legislative day of February 5), 1923.

UNITED STATES MARSHAL.

Martin Brown, of Michigan, to be United States marshal, western district of Michigan, vice Herman O'Connor, resigned, effective March 1, 1923.

REGISTERS OF THE LAND OFFICE.

Mrs. Eva A. Brittain, of Colorado, to be register of the land office at Leadville, Colo.;

Frank P. Light, of Oregon, to be register of the land office at Lakeview, Oreg.; and

Elzie K. Fritts, of Washington, to be register of the land office at Waterville, Wash.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 8 (legislative day of February 5), 1923.

POSTMASTERS.

CALIFORNIA.

Daniel G. Thomas, Colton.

IOWA.

Glen C. Briggs, Brandon.
Mayme A. Kneeland, Clermont.
Cornelius A. Rubly, Elma.
Albert E. Fentress, Greeley.
Smiley B. Hedges, Kellerton.
Otho O. Yoder, West Branch.
Charles F. Chambers, West Union.

KANSAS.

Lewis Pickrell, Minneapolis.

MASSACHUSETTS.

John C. Angus, Andover.
Erastus T. Barse, Chatham.
Merritt C. Skilton, East Northfield.
Herbert W. Damon, Framingham.
Sadie G. Donahue, Huntington.
Thomas Fiske, Ludlow.
Elmer E. Landers, Oak Bluffs.
Robert M. Lowe, Rockport.
George Hall, Smiths.
Amasa W. Baxter, West Falmouth.

MICHIGAN.

Josephine O'Leary, Carrollton.
William C. Thompson, Midland.

OHIO.

Charles C. McMaken, Covington.
Herbert E. Whitney, Danville.
William M. Carlisle, Gambier.

TENNESSEE.

Frances S. Pickering, Carthage.
Clarence E. Locke, Ethridge.
Merle Morgan, Graysville.
Willis F. Arnold, Jackson.
Harold T. Hester, Portland.

TEXAS.

Charles J. Hostrasser, Hearne.
Daniel B. Gilmore, McGregor.

UTAH.

Ralph Guthrie, Salt Lake City.
Alfred L. Hanks, Tooele.

HOUSE OF REPRESENTATIVES.

THURSDAY, February 8, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We bless Thee, our Father in heaven, that the tabernacle of God is with men and within its folds we have a refuge in every time of need. O in a world of so many stricken hopes we thank Thee for the shadow and the shelter of the Most High! Lead us to believe that there is instruction, discipline, and blessing in faithfulness to duty. O let us care for our characters. May not failure nor weakness mar the beauty and the force of the fine qualities of manhood. As we abide in Thy mercy, may we trust Thee, obey Thee, and honor Thee, through Christ, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERSONAL PRIVILEGE.

Mr. HERRICK. Mr. Speaker, I rise to a question of personal privilege, and base it on an article which I send to the Clerk's desk.

Mr. MADDEN. Mr. Speaker, I object.

The SPEAKER. Will the gentleman wait until some unanimous requests of Members can be considered?

Mr. HERRICK. I withhold it for that long and no longer.